

REGIONAL RENTAL SURVEY

COVERING GOVERNMENT-FURNISHED HOUSING LOCATED IN THE

NORTH CENTRAL SURVEY REGION

SURVEYED DURING MAY 2011
SURVEY RENTS EFFECTIVE ON MARCH 11, 2012



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I. SURVEY BACKGROUND

The Department of the Interior, National Business Center, Quarters Management Office coordinated a contractor-conducted field survey of the private rental housing market in the States of Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio and Wisconsin, from April 2011 through May 2011. This survey was undertaken as specified in the Office of Management and Budget (OMB) Circular A-45, *Rental and Construction of Government Quarters* (revised October 1993), and in the U.S. Department of the Interior *Housing Management Handbook* (revised April 2009.) OMB Circular A-45 requires reconfirmation of the market-based rental rates at least once every five years. The last field survey of the North Central region was conducted in May 2007.

The analysis of rental housing data was accomplished employing methods similar to those used in previous surveys. Automated and manual analytical procedures were used to establish base rental rates for houses (including plexes), apartments, mobile homes, and trailer pads. Rental rates for cabins were based upon their comparability with 1-bedroom houses. Rental rates for travel trailers were based upon their comparability with mobile homes. Rental rates for dormitories/bunkhouses and transient units were established by extending the principle of comparability, as provided for in OMB Circular A-45.

The objective of regional surveys, as set forth in OMB Circular A-45, is to develop reasonable rental rates based upon the "...typical rental rates for comparable private housing in the general area in which the government quarters are located...." The policy set forth in OMB Circular A-45 is as follows:

Rental rates and charges for government quarters and related facilities will be based upon their "reasonable value...to the employee...in the circumstances under which the quarters and facilities are provided, occupied, or made available."...Reasonable value to the employee or other occupant is determined by the rule of equivalence; namely, that charges for rent and related facilities should be set at levels equal to those prevailing for comparable private housing located in the same area, when practicable...

The regional survey method uses regression analysis techniques to establish a "base rental rate" for a given type of housing unit that reflects the typical rate for that type of housing in the survey area. Regression analysis allows the QMIS Office to establish adjustments that reflect: (1) the contributory value (+ or -) of housing features that the private rental market indicates are significant; and (2) relevant social and economic factors that are manifested in the rent levels of individual communities.

Because regression analysis permits assessment of (and adjustment for) different locations, as measured by market rents, several localities or states can be surveyed at a time to minimize data collection costs, and the rates can be individualized for communities that are significantly at variance with the regional rent pattern.

The resulting product (finalized rental rates), when derived from carefully applied automated statistical analysis, provides a logical and equitable base rental rate structure supported by the market rental rate pattern of the region and the community.

II. INVENTORY OF GOVERNMENT-FURNISHED HOUSING

This survey was initiated with an inventory of government-furnished housing managed by the agencies and bureaus that participate in the Quarters Management Information System (QMIS) program.

Agencies and bureaus use the QMIS software to manage their inventories. The QMIS Office in Denver developed this software, but it allows an installation or region to maintain its own housing inventory. Rents can be calculated in just minutes, even for hundreds of units. This decentralized system provides local control of the housing inventory. As always, the key to accurate rents is accurate, up-to-date inventory information.

Software with the results of this survey and the updated Consumer Price Index (CPI) is distributed from Denver in December or January each year. If you do not receive procedures for downloading the software by January each year, please contact the QMIS Office (Help Desk at 303-969-5696 or Rental Program Manager at 303-969-5050). This is important because, by regulation, new rents (based on the survey and CPI) must be implemented in early March, and tenants must be notified in writing 30 days prior, by early February.

It is also important that all agencies and bureaus submit a copy of their updated housing inventories to the QMIS Office by May 15 of each year. This information is used to determine the communities and characteristics to be sampled in new Regional Surveys. The information is also used for various general management reports.

III. CONTRACTING FOR THE PRIVATE RENTAL SURVEY

A. DETERMINATION OF THE COMMUNITIES TO BE SURVEYED

Selection of the communities to be surveyed in this region was initiated with a review of the nearest established communities identified in the government housing inventory. Their geographic locations and populations were determined to enable selection of established communities nearest to concentrations of government housing.

Inclusion of these communities enables a comparison of the community rental rate structure with that of the survey region. This permits a ready determination of whether the local or the regional rental rate structure should be utilized to establish the government-furnished housing base rents. A complete discussion of this process is contained in Section IV of this report.

The communities surveyed represented broad geographic and population ranges. The largest community surveyed – Milwaukee, Wisconsin – had a 2010 population of 594,833. The smallest community – Newberry, Michigan – had a 2010 population of 1,519. A list of the surveyed communities appears as Table 1. In accordance with OMB Circular A-45, communities with 2010 census populations below 1,500 were not surveyed.

TABLE 1 COMMUNITIES SURVEYED

STATE AND COMMUNITY	2010 CENSUS POPULATION	STATE AND COMMUNITY	2010 CENSUS POPULATION
ILLINOIS		MINNESOTA (continued)	
Anna, IL	4,442	Grand Rapids, MN	10,869
Broadview, IL	7,932	International Falls, MN	6,424
Danville, IL	33,027	Little Falls, MN	8,343
Marion, IL	17,193	Morris, MN	5,286
		Pipestone, MN	4,317
INDIANA			
Chesterton, IN	13,068	Sandstone, MN	2,849
Dale, IN	1,593	Silver Bay, MN	1,887
Marion, IN	29,948	Thief River Falls, MN	8,573
Seymour, IN	17,503	Virginia, MN	8,712
Terre Haute, IN	60,785		
IOWA		MISSOURI	
Missouri Valley, IA	2,838	Boonville, MO	8,319
West Branch, IA	2,322	Brookfield, MO	4,542
		Dexter, MO	7,864
MICHIGAN		Doniphan, MO	1,997
Battle Creek, MI	52,347	Mountain View, MO	2,719
East Tawas, MI	2,808		
Fremont, MI	4,081	Potosi, MO	2,660
Gaylord, MI	3,645	Salem, MO	4,950
Gladstone, MI	4,973	Springfield, MO	159,498
Grayling, MI	1,884	NEBRASKA	
Houghton, MI	7,708	Falls City, NE	4,325
Iron Mountain, MI	7,624		
Manistee, MI	6,226	OHIO	
Manistique, MI	3,097	Akron, OH	199,110
		Brecksville, OH	13,656
Milan, MI	5,836	Chillicothe, OH	21,901
Munising, MI	2,355	McArthur, OH	1,701
Newberry, MI	1,519	Oak Harbor, OH	2,759
Reed City, MI	2,425	Port Clinton, OH	6,056
St. Ignace, MI	2,452		
Traverse City, MI	14,674	WISCONSIN	
MINNESOTA		Crandon, WI	1,920
Aitkin, MN	2,165	Milwaukee, WI	594,833
Bemidji, MN	13,431	Osceola, WI	2,568
Chaska, MN	23,770	Rhineland, WI	7,798
Detroit Lakes, MN	8,569	Spooner, WI	2,682
Duluth, MN	86,265		
		Tomah, WI	9,093
		Viroqua, WI	4,362
		Washburn, WI	2,117

B. DETERMINATION OF THE HOUSING CLASSES TO BE SURVEYED

In order to determine which housing classes to survey, the inventory of the agencies participating in the QMIS system were separated into housing classes shown in Table 2, below. Analysis of the government-owned housing data revealed the following information by rent class:

**TABLE 2 GOVERNMENT-FURNISHED HOUSING (BY RENT CLASS)
IN THE NORTH CENTRAL REGION**

Housing Class	# of Units	Avg. Age	Age Range	Avg. Sq. Ft.	Sq. Ft. Range
Houses					
4+ Bedrooms	60	83	38 – 148	3,052	1,472 – 6,589
3 Bedrooms	233	59	6 – 191	2,190	640 – 5,820
2 Bedrooms	94	58	6 – 141	1,544	480 – 2,607
1 Bedroom	32	53	7 – 148	912	360 – 2,868
Apartments					
3 Bedrooms	3	107	96 – 142	1,773	1,333 – 2,956
2 Bedrooms	17	54	17 – 104	973	789 – 1,390
1 Bedroom	22	57	30 – 104	1,099	543 – 2,174
Cabins	21	52	16 – 111	640	252 – 997
Mobile Homes					
3 Bedrooms	4	12	9 – 19	1,061	723 – 1,800
2 Bedrooms	1	29	29	913	913
Dormitories	40	40	1 – 124	2,282	960 – 5,572
Travel Trailers	4	7	5 – 10	221	200 – 240
Trailer Pads	11	14	7 – 19	-	-
TOTAL UNITS	542	59	1 – 148	1,921	200 – 5,572

NOTE: The above data was extracted from the latest consolidated database stored by the QMIS Office. Since the program is decentralized, the consolidated database is based on what has been sent to our office by users in the field. The numbers above may not accurately reflect the actual number of units for this survey region.

As with other regional surveys, the contractor was directed to survey only those housing classes for which a representative sample could be readily obtained in the private rental market. Thus, comparables were not obtained for cabins or lookouts, temporary housing, travel trailers, bunkhouses/dormitories, transient units or tents.

Rental rates were established for cabins by using the average rental rate for one-bedroom, single-family houses as the basis of comparison. Additional adjustments that reflect the absence of certain standard housing features in some cabins have been included for use when appropriate.

Since temporary housing and travel trailers (mobile home-like structures containing less than 256 square feet of gross living area) are most structurally similar to mobile homes, the rental charges for these housing classes are based upon the analysis of mobile home market rental comparables.

Since comparable dormitories/bunkhouses do not exist in most communities, the QMIS Office is unable to obtain sufficient market data to provide a satisfactory statistical base. Consequently, rental rates for dormitories have been established using an extension of the "Principle of Comparability," as permitted in OMB Circular A-45. Similarly, the rental charge for transient units has been established in conjunction with the dormitory rate structure.

OMB Circular A-45 excludes tents from the definition of government-furnished housing. Therefore, rental charges have not been established (and should not be assessed) for tents or platform tents which are used as employee housing.

Four housing classes (houses/plexes, apartments, mobile homes and trailer pads) were ultimately selected for field survey and statistical analysis. The contractor was instructed to select comparables built to Housing and Urban Development (HUD) minimum housing standards wherever possible. The number of observations obtained for each housing class in each community surveyed varied, depending upon the number of nearby government units of that class. The government inventory data was used to create a "Sample Plan" to guide the contractor in the conduct of the survey.

C. HEATING FUELS AND UTILITY CHARGE SURVEY

To ensure reliability of the energy consumption estimates for housing where consumption is neither metered nor measured, this report uses a series of contractor-developed heating and cooling consumption tables for each general type of housing represented in the survey. The tables are based upon energy consumption studies that use a methodology meeting housing industry standards. The results reflect energy consumption for variously sized single-family houses (with and without basements), apartments, and mobile homes. A complete discussion of the energy consumption/cost methodology is contained in Section VI.

D. CONTRACTOR SELECTION

The National Business Center provided procurement support and project coordination for this Private Rental Survey. Reimbursement for survey expenses was underwritten by the agencies and bureaus that participate in the QMIS Program.

The private rental survey was completed by Delta-21 Resources Inc. of Knoxville, Tennessee, during the months of April through May 2011. A total of 968 private rental housing comparables were sampled. In addition, electrical, heating fuel, and other related utility charges were collected in each of the communities surveyed. The private rental housing costs that were obtained reflected rental rates at that time.

IV. REGIONAL SURVEY PRINCIPLES AND PROCEDURES

A. SURVEY PRINCIPLES

The purpose of a regional survey is to determine and establish reasonable housing unit rents through an analysis of the market rents of comparable private housing in communities nearest to the concentrations of government housing. The process of arriving at the base rent of a structure is influenced by real estate appraisal principles, statistical limitations, and administrative considerations. Often there may be a conflict among these three interests, which necessitates a trade-off.

1. Real estate appraisal principles include matching comparables as closely as possible to the specific subject properties in physical characteristics and location, and adjusting in a logical direction for all significant differences.
2. Statistical principles involve: (a) trying to minimize the standard error of the estimate (unexplained variation); (b) getting a good match of characteristics between the properties analyzed and those the analysis is applied to; (c) obtaining a large and diverse sample; and (d) making adjustments for factors that are significant in explaining variation. Ideal samples may not always be available in the market; and the market search may be limited (like an appraisal) because of time and budget constraints.
3. Administrative considerations recognize that government housing is usually not located in established communities, and that physical characteristics (such as in historical houses, one-room cabins, lookouts or dormitories) are difficult to match in the market. Government housing is often found in areas influenced by tourism or boom/bust natural resource development that may produce unreasonable rents. Consistency and relative reasonableness, as well as time and budget constraints, must also be taken into consideration.
4. While trade-offs among these three considerations may result in a less than ideal application of any one of the three principles, the goal is still to produce Monthly Base Rental Rates (MBRR) for housing that is relatively consistent with the local market rents for similar housing, internally consistent and logical from one unit to another, and represent a reasonable value to the employee.

B. MULTIPLE REGRESSION PROCEDURES USED IN RENTAL RATE COMPUTATIONS

There are several reasons for using the regional survey method to arrive at rental rates. These include accuracy, consistency, fairness, cost effectiveness/economies of scale, and the provision in OMB Circular A-45 that regional rental surveys are the preferred method.

Prior to the use of the regional survey method, Monthly Base Rental Rates (MBRRs) were reset every five years by individually appraising each government unit. The appraisal process normally relied upon the use of a small number (2 to 4) of comparables for each subject unit, and made logical or market-abstracted adjustments to each comparable. In many instances the same comparables were used to establish rental rates for several housing units. Thus the selection of comparables became critical. Individualized appraisals often led to inconsistencies among units in the same area. Many times different agencies, managing similar or identical housing units in the same area, had substantially different rents after analyzing the same rental market. Appraisers valuing several different units by separate sets of comparables and adjustments sometimes arrived at rents not logically related to one another. Finally, the appraisal process required a considerable amount of travel, and individualized writing, typing and editing of appraisal reports, which was expensive and very time-consuming.

Alternatively, the regional survey method relies upon much larger samples of comparables. These are statistically analyzed to determine those factors that are significant in explaining variations in the adjusted rent of each class of housing comparables. Each class of comparables (houses, apartments and mobile homes) is analyzed separately to determine which locations and physical characteristics are important in explaining the differences in rents among individual rental units and communities. The computer program independently and objectively determines the best set of characteristics (formula) to explain the rental pattern. This formula varies for each survey region and housing class, but each formula is primarily based on square feet, bedrooms, bathrooms, age, amenities, and community market variances.

The rental rates are based upon an analysis of both regional data and local data. The rents in all surveyed communities for each housing class are tested for statistical significance. All significant “negative community adjustments” are applied; government housing near low-rent communities are charged the typical rent for that low-cost location. However, “positive community adjustments” are not applied; **government housing near high-rent communities are charged the typical rent for the region as a whole, rather than the typical rent for that high-cost location.**

The statistical process used is called forward in-and-out, step-wise multiple regression analysis. It takes all of the variables considered and forms a matrix or grid showing how every variable is related to every other variable (cross-correlation matrix). In this phase of the analysis, significant inventory items relating to the dwelling structure are coded into the computer as variables to be tested for their impact, if any, on rent. The variable to be explained (in this case, rent) is called the dependent variable, because its value is determined by that of the other (independent) variables.

In forward in-and-out step-wise multiple regression analysis, the independent variable that explains the most variation in the dependent variable (rent) is selected first by the computer and entered as Step 1. The remaining variation is then recomputed, and the independent variable that explains the largest portion of the remaining variation is selected by the computer and entered as Step 2. As each new variable is added, the coefficients of all the previously entered variables are recomputed to take into account relationships among the independent variables. If a previously entered variable no longer meets the test of significance, it is removed.

As this procedure uses the variation squared, it is highly sensitive to cases with extreme variations from the norm. Since the purpose of a regional survey is to find the typical rent for housing with certain characteristics, it is essential to cull comparables with unusually high or low rents that are apparently

unrelated to their characteristics. Such non-conforming rentals tend to obscure the typical pattern. To accomplish this culling, the following steps are normally taken.

Step 1. All comparables are checked to see that they meet contract requirements, that no rental unit has been entered twice, and that the data is complete for each variable to be tested.

Step 2. Regression Run 1 (square foot base formula). The comparable data is analyzed for the best fit of adjusted rent versus square feet. This computation is undertaken because square footage in buildings is generally the variable that explains the most variation of adjusted rent. It is also a universal variable (one that applies to all cases) and a continuous variable (one that changes in many small increments).

Step 3. A listing is produced which shows the rent/predicted rent ratio of each private rental sample by community. The predicted rent is one computed using the square foot base formula derived in step 2. The purpose of this listing is to screen out individual rentals whose ratios are far out of line relative to other rental comparables in the same community (outliers.)

Step 4. A scattergram of rentals for each class, showing adjusted rent by square feet, is produced to visually display the data. These scattergrams, and the listings produced in Step 3 above, are used to remove samples with unusually high or low rents in each size grouping. A separate variable for each of the remaining communities is then entered into the next step, the full regression analysis, to see if it has a statistically significant location adjustment after other adjustments have been made. This run and a crosstab run of physical features allows for selection of other variables that are significantly represented and widely (geographically) distributed. These variables are turned into dummy (yes/no) and combination variables. Continuous and discrete variables are entered as simple variables, logarithmic transformations, and in logical combinations.

Step 5. (First Full Regression Run). The screened samples for each housing class, along with the variables to be tested, are analyzed to find coefficients for the significant variables. The results are checked for logic and cross-correlation; normally only one form of a variable is allowed to stay in the equation. Variables with illogical results are checked to find reasons for such deviation from expected results. Such variables are normally dropped from subsequent regression runs. Sometimes the samples containing such variables are culled; however, culling samples is uncommon.

Step 6. (Other Full Regression Runs). The full regression analysis is rerun without the illogical variables and/or dropped cases. If the end results look reasonable, the coefficients determined by regression analysis are used to compute Monthly Base Rental Rates (MBRRs) for individual government-furnished housing.

Step 7. (Predicted Rent Tables). The coefficients of each satisfactory regression run are put into a computer program which produces a table of predicted MBRRs. The base values and all possible combinations of adjustments are reviewed to ensure the results are reliable for the full range of values. If not, the cause of the problem is diagnosed and corrected, and the regression analysis is re-run, producing a revised set of coefficients. Then Step 6 is repeated, and a new set of rent tables is produced.

V. ESTABLISHMENT OF MONTHLY BASE RENTAL RATES (MBRR)

A. USE OF BASE RENT CHARTS

Although rental computations have been automated to produce Monthly Base Rental Rates (MBRRs) and final Net Rents for most units, housing managers should understand the methodology used to determine rental rates. Therefore, a set of charts has been prepared to allow the manual computation of the MBRRs for each class of rental housing. The charts have been constructed as size/age tables for the three major categories of housing (houses, apartments and mobile homes). By knowing the gross finished square feet (size), the age, and the housing class of a building being used, one can determine the base rent from the proper table. The charts also contain columns and/or footnotes of rent adjustments which modify the rent from the size/age table to produce a MBRR for an individual unit.

The value of one refrigerator and one stove is included in the rents listed in Tables 3, 4, and 5.

Therefore, if the government does not provide a refrigerator or a range in the unit, the value of each non-provided appliance should be subtracted from the monthly rent. The current values of a refrigerator and range are shown in Table 18 of this report; however, these values are adjusted annually to reflect changes in the Consumer Price Index (CPI), following the issuance of this report.

In selecting the appropriate rent table, it is important to remember that the **design of the housing unit, not its use, determines its category**. Thus, a house or an apartment unit **designed** to be occupied by an individual or a family, but which is actually used to house unrelated individuals, would be valued by the category for which it was designed to be used, rather than as a dormitory/bunkhouse. Where a structure is not designed for occupancy by an individual or family, or has been substantially modified to house unrelated individuals, it would be appropriate to apply dormitory/bunkhouse rates. Thus, an unmodified three-bedroom house with a **planned occupancy** of six unrelated individuals (normally two persons per bedroom) would have a rental rate determined by calculating the rental rate for a three-bedroom house and then dividing that rate by six. This rate would change if the number of **planned** occupants changed. If the house were later **structurally modified** to be used as a dormitory/bunkhouse, the rate then would be the dormitory rate.

Based upon information provided by the contractor, deductions from the monthly contract rental rate of each rental sample were made for the contributory costs of utilities, appliances, furnishings and services provided and included in the contract rent. No deductions were made for central air conditioners, refrigerators or ranges; however, if a refrigerator or range was missing, the value was added to the adjusted rent. Central air conditioners are valued at their contributory value, if any. The resulting adjusted monthly contract rental rate represents the contributory value of the dwelling structure equipped with a refrigerator and a range. The establishment of final monthly rental charges for houses, apartments, mobile homes and cabins/lookouts requires the addition of charges for government-provided utilities, services, appliances and furnishings. Conversely, **deductions** are required for the values of ranges and refrigerators when they are not provided by the government.

There are a total of eleven rental rate charts: four charts for single-family housing, four charts for apartments, and three charts for mobile homes. Instructions for computing rental rates for cabins, dormitories and bunkhouses, transient units and trailer pads are found in Sections V.E, V.F, V.G and V.H,

respectively. Because OMB Circular A-45 excludes tents from the definition of “rental housing,” there is no charge for the provision of tents.

The use of the charts is fairly simple. First, find the chart for the rental class category of the government quarter. Next, round the finished square footage **down** to the nearest hundreds of square feet. Thus, if a unit has 980 square feet, the row labeled “900 Sq Ft” would be used. Then the age should be rounded **up** to the nearest age increment. (Always round to benefit the tenant.) If the dwelling at issue was built in 1987, its age would be computed as 2011 (the current year) minus 1987 (the year built). Thus, in this instance, the unit is $2011 - 1987 = 24$ years old; and the column headed by “25 Yrs Old” should then be followed down to the “900 Sq Ft” row to obtain the size/age adjusted rent.

The rent charts also have various location adjustments, as well as adjustments for physical features such as the number of bathrooms, the type of garage facilities, the condition of the housing, etc. These should be subtracted from, or added to, the size/age adjusted rent, as specified, to determine the MBRR.

When computing the final rent (net rent) to be paid, the MBRR must be adjusted to include the value of government-provided related facilities (utilities, appliances, furnishings and services); and the administrative adjustments prescribed in OMB Circular A-45. Use the Department of the Interior Form DI 1880, “Rent Computation Schedule,” for guidance. (Manual rent calculations also require information from the most recent Consumer Price Index (CPI) Memo, as published by the QMIS Office. See <http://www.nbc.gov/supportservices/cpi.html>.)

Where a dwelling is larger than the highest square footage in the chart pertinent to that unit, use the size/age rent and adjustments from the bottom (largest “Sq Ft”) row. Rent is “capped” at the largest “Sq Ft” indicated on each chart. This may eliminate the need for some administrative adjustments due to excess size of the housing. If a dwelling is smaller than the smallest square footage, use the lowest square footage listed on the chart.

The rent for a dwelling with more than 4 bedrooms (3 bedrooms for apartments and mobile homes) is calculated as if the unit had 4 bedrooms (apartments and mobile homes are “capped” at 3 bedrooms.) The carport charge is the same regardless of the size of the carport; and the fireplace charge is the same for one or more fireplaces. In addition, bathrooms are “capped” at 3.

To assist in the calculation of housing MBRRs, examples are provided in the following pages. While the rates appearing in the following tables should allow users to establish MBRRs for essentially any property, not all situations and conditions can be anticipated. Therefore, housing managers should use professional discretion to set rates for truly unusual situations. In cases where housing managers must use some other method to establish rates, please contact the National Business Center QMIS Office, at **303-969-5696 or 303-969-5050**, or fax 303-969-6634. You should explain the conditions, the rate used, and the reasoning so that the QMIS Office may anticipate such circumstances in the future. Please retain the documentation for such actions in your housing management files.

B. SINGLE FAMILY HOUSING

For single-family houses, including plexed units such as condominiums and townhouses, use the rental chart which appropriately describes the housing class and the number of bedrooms of the subject unit. The charts for houses are in Tables 3a through 3d.

For example, assume a 3-bedroom, 1½-bath house, that was built in 1977, and which has a 2-car garage, two fireplaces, a central refrigerated air conditioning system, and 1,276 gross square feet of living space. The house, located near Pipestone, Minnesota, is “fair” in both exterior and interior condition.

First, the chart for 3-bedroom, good condition, 1 bathroom, houses (Table 3b) should be located and used. These charts are baseline charts, which assume that each house is in good condition inside and outside and has one full bathroom. Therefore, if the house is in “good” condition inside and outside and has one bathroom, no additional computations are needed. If there is a deviation from either “good” inside or outside condition, or there are less or more bathrooms than one, then the computations must be changed as discussed below. In the first step, Table 3b is selected as the proper chart for 3-bedroom houses. Next, the size (gross finished floor space) should be rounded **down** to the nearest 100 square feet (from 1,276 to 1,200 sq. ft.) Under the column headed “**Sq Ft,**” the figure 1,200 should be located. Further adjustments will be taken from this row.

Finally, the appropriate age column should be selected. The house in this example is $2011 - 1977 = 34$ years old. The age should be rounded **up** to the next highest age column, which, in this case, is the column headed “**35 yrs old.**” Follow this column down to the 1,200 square feet row to obtain the size/age “Chart Rent” of \$610.

The first adjustment is the extra bathroom charge. Follow the column headed “**Per Extra Bath**” across the 1,200 Sq Ft row to find a charge of \$49 for a full extra bathroom. As the house in this example has only ½ of an extra bathroom, the adjustment is $\$49 \times .5$ (½ extra bathroom) = \$25. Add \$25 to the rent.

The second and third adjustments are made for a fair exterior and a fair interior condition. Follow the column headed “**Fair Exterior/Interior***” across the 1,200 Sq Ft row. The amount reflects a deduction of -\$15 for a house with a fair exterior **and** a deduction of -\$15 for a house with a fair interior. Since both the exterior and interior are in fair condition, the total adjustment is -\$30.

The fourth adjustment is for the central refrigerated air conditioning system. Follow the column headed “**Air Cond**” across the 1,200 Sq Ft row. The amount reflects an addition of \$34 for central air conditioning.

The fifth adjustment is for a two-car garage. Follow the column headed “**Garage (Per Car)**” across the 1,200 Sq Ft row. \$34 should be charged for each car the garage is designed to accommodate. Since the house in this example has a 2-car garage, multiply the amount shown for one car (\$34) times 2 to reflect the value of a 2-car garage ($2 \times \$34 = \68). Add \$68 to the rent.

The sixth adjustment is made for the fireplace. Follow the column headed “**Fireplace**” across the 1,200 Sq Ft row. The amount reflects an addition of \$20 for one or more fireplaces. Add \$20 to the rent for the fireplace.

The final adjustment is the community adjustment. The house in this example is located near Pipestone, MN. The notes beneath the table (see “**Community Adjustments**”) reflect that Pipestone, MN receives an adjustment of -\$192. As instructed, subtract \$192 from the rent.

NOTE: Community adjustments are given only to communities in which the market rents are lower than the regional average level of rents. Communities not listed in the tables have rents which are equal to or higher than the regional average rent, and do not receive community adjustments.

In summary, the adjustments that produce the Monthly Base Rental Rate for the house used in this example are shown below.

Chart Rent (1,200 Sq Ft/35 Yrs Old)	\$610
Extra ½ Bath Adjustment (.5 X \$49*).....	+ 25
Fair Exterior Condition Adjustment.....	- 15
Fair Interior Condition Adjustment.....	- 15
Central Air Conditioning Adjustment.....	+ 34
Garage Adjustment (2 Car X \$34).....	+ 68
Fireplace Adjustment	+ 20
Community Adjustment (Pipestone, MN)	<u>-192</u>
Monthly Base Rent (Rounded to nearest \$1*).....	\$535

*The charges are rounded to the nearest whole dollar. Any amount resulting in an amount of \$.50 or greater is rounded up; any amount resulting in an amount of \$.49 or less is rounded down.

**TABLE 3A MONTHLY BASE RENT CHART – GOOD CONDITION, 4 BEDROOM, 1 BATH
HOUSES
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)**

Sq Ft	5 yrs old	15 yrs old	25 yrs old	35 yrs old	45 yrs old	55 yrs old	75+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*	Air Cond (Refrig)	Garage (Per Car)	Fire- place	Plex
700	\$695	\$652	\$629	\$613	\$601	\$592	\$577	+\$29	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
800	\$705	\$661	\$638	\$623	\$611	\$601	\$587	+\$33	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
900	\$714	\$670	\$647	\$632	\$620	\$610	\$595	+\$37	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,000	\$722	\$678	\$656	\$640	\$628	\$619	\$604	+\$41	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,100	\$730	\$686	\$664	\$648	\$636	\$627	\$612	+\$45	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,200	\$738	\$694	\$671	\$656	\$644	\$634	\$619	+\$49	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,300	\$745	\$701	\$679	\$663	\$651	\$642	\$627	+\$53	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,400	\$752	\$709	\$686	\$670	\$658	\$649	\$634	+\$57	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,500	\$759	\$715	\$693	\$677	\$665	\$656	\$641	+\$62	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,600	\$766	\$722	\$699	\$684	\$672	\$662	\$648	+\$66	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,700	\$773	\$729	\$706	\$690	\$679	\$669	\$654	+\$70	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,800	\$779	\$735	\$712	\$697	\$685	\$675	\$661	+\$74	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,900	\$785	\$741	\$719	\$703	\$691	\$682	\$667	+\$78	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
2,000	\$791	\$748	\$725	\$709	\$697	\$688	\$673	+\$82	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
2,100	\$797	\$754	\$731	\$715	\$703	\$694	\$679	+\$86	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
2,200	\$803	\$760	\$737	\$721	\$709	\$700	\$685	+\$90	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
2,300	\$809	\$766	\$743	\$727	\$715	\$706	\$691	+\$94	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64

Additional Adjustments:

Carport (Any Size)	+\$20	Central Evaporative Cooling	+\$20
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Community Adjustments:

ILLINOIS		MISSOURI	
Anna, IL	-\$60	Boonville, MO	-\$106
Danville, IL	-\$56	Brookfield, MO	-\$238
INDIANA		Dexter, MO	-\$130
Dale, IN	-\$42	Doniphan, MO	-\$225
Marion, IN	-\$100	Mountain View, MO	-\$182
MICHIGAN		Potosi, MO	-\$117
East Tawas, MI	-\$118	Republic, MO	-\$16
Fremont, MI	-\$51	Salem, MO	-\$209
Grayling, MI	-\$80	Springfield, MO	-\$16
Iron Mountain, MI	-\$37	NEBRASKA	
Iron River, MI	-\$37	Falls City, NE	-\$203
Manistique, MI	-\$70	OHIO	
Munising, MI	-\$118	Port Clinton, OH	-\$19
Newberry, MI	-\$62	WISCONSIN	
Reed City, MI	-\$30	Crandon, WI	-\$88
St. Ignace, MI	-\$51	Rhineland, WI	-\$14
MINNESOTA		Spooner, WI	-\$51
International Falls, MN	-\$22	Viroqua, WI	-\$73
Pipestone, MN	-\$192	Washburn, WI	-\$15
Silver Bay, MN	-\$13		
Thief River Falls, MN	-\$29		
Virginia, MN	-\$73		

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

**TABLE 3B MONTHLY BASE RENT CHART – GOOD CONDITION, 3 BEDROOM, 1 BATH
HOUSES**

NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)

Sq Ft	5 yrs old	15 yrs old	25 yrs old	35 yrs old	45 yrs old	55 yrs old	75+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*	Air Cond (Refrig)	Garage (Per Car)	Fire- place	Plex
500	\$628	\$584	\$561	\$546	\$534	\$524	\$509	+\$21	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
600	\$639	\$596	\$573	\$557	\$545	\$536	\$521	+\$25	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
700	\$650	\$606	\$583	\$567	\$556	\$546	\$531	+\$29	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
800	\$659	\$615	\$593	\$577	\$565	\$556	\$541	+\$33	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
900	\$668	\$624	\$601	\$586	\$574	\$565	\$550	+\$37	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,000	\$676	\$633	\$610	\$594	\$582	\$573	\$558	+\$41	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,100	\$684	\$641	\$618	\$602	\$590	\$581	\$566	+\$45	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,200	\$692	\$648	\$625	\$610	\$598	\$589	\$574	+\$49	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,300	\$699	\$656	\$633	\$617	\$605	\$596	\$581	+\$53	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,400	\$707	\$663	\$640	\$624	\$613	\$603	\$588	+\$57	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,500	\$713	\$670	\$647	\$631	\$619	\$610	\$595	+\$62	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,600	\$720	\$676	\$654	\$638	\$626	\$617	\$602	+\$66	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,700	\$727	\$683	\$660	\$645	\$633	\$623	\$608	+\$70	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,800	\$733	\$689	\$667	\$651	\$639	\$630	\$615	+\$74	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,900	\$739	\$696	\$673	\$657	\$645	\$636	\$621	+\$78	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
2,000	\$746	\$702	\$679	\$663	\$652	\$642	\$627	+\$82	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
2,100	\$752	\$708	\$685	\$670	\$658	\$648	\$633	+\$86	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64

Additional Adjustments:

Carport (Any Size)	+\$20	Central Evaporative Cooling	+\$20
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Community Adjustments:

ILLINOIS

Anna, IL	-\$60
Danville, IL	-\$56

INDIANA

Dale, IN	-\$42
Marion, IN	-\$100

MICHIGAN

East Tawas, MI	-\$118
Fremont, MI	-\$51
Grayling, MI	-\$80
Iron Mountain, MI	-\$37
Iron River, MI	-\$37
Manistique, MI	-\$70
Munising, MI	-\$118
Newberry, MI	-\$62
Reed City, MI	-\$30
St. Ignace, MI	-\$51

MINNESOTA

International Falls, MN	-\$22
Pipestone, MN	-\$192
Silver Bay, MN	-\$13
Thief River Falls, MN	-\$29
Virginia, MN	-\$73

MISSOURI

Boonville, MO	-\$106
Brookfield, MO	-\$238
Dexter, MO	-\$130
Doniphan, MO	-\$225
Mountain View, MO	-\$182
Potosi, MO	-\$117
Republic, MO	-\$16
Salem, MO	-\$209
Springfield, MO	-\$16

NEBRASKA

Falls City, NE	-\$203
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OHIO

Port Clinton, OH	-\$19
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WISCONSIN

Crandon, WI	-\$88
Rhineland, WI	-\$14
Spooner, WI	-\$51
Viroqua, WI	-\$73
Washburn, WI	-\$15

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

(CHARGES WILL BE ADJUSTED FOR INFLATION)

								Per	Excel	Fair	Poor	Air	Garage		
	5 yrs	15 yrs	25 yrs	35 yrs	45 yrs	55 yrs	75+ yrs	Extra	Interior /	Interior /	Interior /	Cond	(Per	Fire	Plex
Sq Ft	old	old	old	old	old	old	old	Bath	Exterior*	Exterior*	Exterior*	(Refrig)	Car)	place	
300	\$543	\$499	\$476	\$461	\$449	\$439	\$424	+\$12	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
400	\$559	\$515	\$492	\$476	\$465	\$455	\$440	+\$16	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
500	\$572	\$528	\$505	\$490	\$478	\$468	\$453	+\$21	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
600	\$583	\$540	\$517	\$501	\$489	\$480	\$465	+\$25	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
700	\$594	\$550	\$527	\$511	\$500	\$490	\$475	+\$29	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
800	\$603	\$559	\$537	\$521	\$509	\$500	\$485	+\$33	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
900	\$612	\$568	\$545	\$530	\$518	\$509	\$494	+\$37	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,000	\$620	\$577	\$554	\$538	\$526	\$517	\$502	+\$41	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,100	\$628	\$585	\$562	\$546	\$534	\$525	\$510	+\$45	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,200	\$636	\$592	\$569	\$554	\$542	\$533	\$518	+\$49	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,300	\$643	\$600	\$577	\$561	\$549	\$540	\$525	+\$53	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,400	\$651	\$607	\$584	\$568	\$557	\$547	\$532	+\$57	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,500	\$657	\$614	\$591	\$575	\$563	\$554	\$539	+\$62	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,600	\$664	\$620	\$598	\$582	\$570	\$561	\$546	+\$66	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,700	\$671	\$627	\$604	\$589	\$577	\$567	\$552	+\$70	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,800	\$677	\$633	\$611	\$595	\$583	\$574	\$559	+\$74	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,900	\$683	\$640	\$617	\$601	\$589	\$580	\$565	+\$78	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64

Additional Adjustments:

Carport (Any Size)	+\$20	Central Evaporative Cooling	+\$20
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Community Adjustments:

ILLINOIS	Anna, IL	-\$60	MISSOURI	Boonville, MO	-\$106
	Danville, IL	-\$56		Brookfield, MO	-\$238
INDIANA				Dexter, MO	-\$130
	Dale, IN	-\$42		Doniphan, MO	-\$225
	Marion, IN	-\$100		Mountain View, MO	-\$182
MICHIGAN				Potosi, MO	-\$117
	East Tawas, MI	-\$118		Republic, MO	-\$16
	Fremont, MI	-\$51		Salem, MO	-\$209
	Grayling, MI	-\$80		Springfield, MO	-\$16
	Iron Mountain, MI	-\$37	NEBRASKA		
	Iron River, MI	-\$37		Falls City, NE	-\$203
	Manistique, MI	-\$70	OHIO		
	Munising, MI	-\$118		Port Clinton, OH	-\$19
	Newberry, MI	-\$62	WISCONSIN		
	Reed City, MI	-\$30		Crandon, WI	-\$88
	St. Ignace, MI	-\$51		Rhineland, WI	-\$14
MINNESOTA				Spooner, WI	-\$51
	International Falls, MN	-\$22		Viroqua, WI	-\$73
	Pipestone, MN	-\$192		Washburn, WI	-\$15
	Silver Bay, MN	-\$13			
	Thief River Falls, MN	-\$29			
	Virginia, MN	-\$73			

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

**TABLE 3D MONTHLY BASE RENT CHART – GOOD CONDITION, 1 BEDROOM, 1 BATH
HOUSES**
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)

Sq Ft	5 yrs old	15 yrs old	25 yrs old	35 yrs old	45 yrs old	55 yrs old	75+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*	Air Cond (Refrig)	Garage (Per Car)	Fire- place	Plex
100	\$418	\$374	\$351	\$336	\$324	\$314	\$299	+\$4	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
200	\$450	\$406	\$383	\$368	\$356	\$347	\$332	+\$8	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
300	\$471	\$427	\$404	\$388	\$377	\$367	\$352	+\$12	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
400	\$486	\$443	\$420	\$404	\$392	\$383	\$368	+\$16	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
500	\$500	\$456	\$433	\$417	\$406	\$396	\$381	+\$21	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
600	\$511	\$467	\$444	\$429	\$417	\$408	\$393	+\$25	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
700	\$521	\$478	\$455	\$439	\$427	\$418	\$403	+\$29	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
800	\$531	\$487	\$464	\$449	\$437	\$427	\$413	+\$33	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
900	\$540	\$496	\$473	\$458	\$446	\$436	\$422	+\$37	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,000	\$548	\$504	\$482	\$466	\$454	\$445	\$430	+\$41	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,100	\$556	\$512	\$490	\$474	\$462	\$453	\$438	+\$45	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,200	\$564	\$520	\$497	\$482	\$470	\$460	\$445	+\$49	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,300	\$571	\$527	\$505	\$489	\$477	\$468	\$453	+\$53	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,400	\$578	\$535	\$512	\$496	\$484	\$475	\$460	+\$57	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64
1,500	\$585	\$541	\$519	\$503	\$491	\$482	\$467	+\$62	+\$25	-\$15	-\$20	+\$34	+\$34	+\$20	-\$64

Additional Adjustments:

Carport (Any Size)	+\$20	Central Evaporative Cooling	+\$20
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Community Adjustments:

ILLINOIS

Anna, IL	-\$60
Danville, IL	-\$56

INDIANA

Dale, IN	-\$42
Marion, IN	-\$100

MICHIGAN

East Tawas, MI	-\$118
Fremont, MI	-\$51
Grayling, MI	-\$80
Iron Mountain, MI	-\$37
Iron River, MI	-\$37
Manistique, MI	-\$70
Munising, MI	-\$118
Newberry, MI	-\$62
Reed City, MI	-\$30
St. Ignace, MI	-\$51

MINNESOTA

International Falls, MN	-\$22
Pipestone, MN	-\$192
Silver Bay, MN	-\$13
Thief River Falls, MN	-\$29
Virginia, MN	-\$73

MISSOURI

Boonville, MO	-\$106
Brookfield, MO	-\$238
Dexter, MO	-\$130
Doniphan, MO	-\$225
Mountain View, MO	-\$182
Potosi, MO	-\$117
Republic, MO	-\$16
Salem, MO	-\$209
Springfield, MO	-\$16

NEBRASKA

Falls City, NE	-\$203
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OHIO

Port Clinton, OH	-\$19
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WISCONSIN

Crandon, WI	-\$88
Rhineland, WI	-\$14
Spooner, WI	-\$51
Viroqua, WI	-\$73
Washburn, WI	-\$15

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

C. APARTMENTS

For all apartment units, use the rental chart which appropriately describes the housing class and the number of bedrooms of the subject unit. The charts for apartments are in Tables 4a through 4d.

Assume a 2-bedroom, 2-bathroom apartment, near Milwaukee, Wisconsin, with 760 square feet. The exterior is in poor condition; the interior is in fair condition. The apartment, which was built in 1967, is 44 years old (2011-1967), has central refrigerated air conditioning and a carport.

First, the two-bedroom chart for good condition apartments (Table 4b) should be located and used. These charts are baseline charts, which assume that each apartment is in “good” condition inside and outside, and has one full bathroom. Therefore, if the apartment is in “good” condition inside and outside and has one bathroom, no additional computations are needed. If there is a deviation from either “good” inside or outside condition, or there are less or more bathrooms than one, then the computations must be changed as discussed below. In the first step, Table 4b is selected as the proper chart for 2-bedroom apartments.

In the second step, the size (gross living area) is rounded **down** from 760 to 700 square feet. Under the column headed “**Sq Ft**,” the figure 700 should be located. All further adjustments will be taken from this row.

In the third step the appropriate age column is selected. A 44-year-old apartment is between 35 and 45 years old; therefore, the “**45 yrs old**” column should be used. A two-bedroom apartment, in good condition with 700 square feet of living space (gross), and which is 45 years of age, has a “Chart Rent” of \$499 per month.

The first adjustment is the extra bathroom adjustment charge. Following the 700 Sq Ft row along to the column headed “**Per Extra Bath**” you will find a charge of \$10. To compute the charge for the extra bathroom, multiply 1 (1 extra bath) times \$10 (per extra bath charge). Add \$10 to the rent for the second bathroom.

The second and third adjustments are for a poor exterior and a fair interior condition. Follow the 700 Sq Ft row across the table to the column headed “**Poor Exterior/Interior***” a deduction of -\$15 is shown; and in the next column titled “**Fair Exterior/Interior***”, a deduction of -\$10 is shown. Subtract a total of -\$25 for the condition of the apartment.

The fourth adjustment is for the central air conditioning system. Follow the column headed “**Air Cond (Refrig)**” across the 700 Sq Ft row. The chart indicates an additional charge of \$20 for central air conditioning.

The fifth adjustment is for a carport. Beneath the table, under “**Additional Adjustments**,” there is an instruction to add \$10 for a carport of any size.

The final adjustment is the community adjustment. The apartment in this example is located near Milwaukee, WI. The notes beneath the table (see “**Community Adjustments**”) show no adjustment for Milwaukee, WI. Therefore, rental values in Milwaukee for apartments are equal to or greater than the

regional average. Since positive community adjustments are not applied, no community adjustment is included for Milwaukee rental rates. Rents are being “capped” at the regional average for Apartments.

In summary, the Monthly Base Rental Rate for the apartment in this example is determined as follows:

Chart Rent (700 Sq Ft/45 yrs old)	\$499
Extra Bath Adjustment (1 X \$10)*	+ 10
Poor Exterior Adjustment	- 15
Fair Interior Adjustment	- 10
Central Air Conditioning Adjustment.....	+20
Carport Adjustment	+10
Location Adjustment (Milwaukee, WI)	<u>0</u>
Monthly Base Rental Rate (Rounded to nearest \$1)	\$514

*The calculations are rounded to the nearest whole dollar. Any amount resulting in an amount of \$.50 or greater is rounded up; any amount resulting in an amount of \$.49 or less is rounded down.

**TABLE 4A MONTHLY BASE RENT CHART – GOOD CONDITION, 3 BEDROOM, 1 BATH
APARTMENTS
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)**

Sq Ft	5 yrs old	15 yrs old	25 yrs old	35 yrs old	45 yrs old	55 yrs old	75+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*	Garage	Air Cond (Refrig)
600	\$492	\$491	\$489	\$488	\$486	\$485	\$482	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
700	\$534	\$533	\$532	\$530	\$529	\$527	\$524	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
800	\$577	\$576	\$574	\$573	\$571	\$570	\$567	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
900	\$619	\$618	\$617	\$615	\$614	\$612	\$609	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,000	\$662	\$661	\$659	\$658	\$656	\$655	\$652	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,100	\$704	\$703	\$702	\$700	\$699	\$697	\$694	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,200	\$747	\$746	\$744	\$743	\$741	\$740	\$737	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,300	\$789	\$788	\$787	\$785	\$784	\$782	\$779	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,400	\$832	\$831	\$829	\$828	\$826	\$825	\$822	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,500	\$874	\$873	\$872	\$870	\$869	\$867	\$864	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,600	\$917	\$916	\$914	\$913	\$911	\$910	\$907	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,700	\$959	\$958	\$957	\$955	\$954	\$952	\$949	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,800	\$1,002	\$1,001	\$999	\$998	\$996	\$995	\$992	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20

Additional Adjustments:

Carport (Any Size)	+\$10	Central Evaporative Cooling	+\$10
Fireplace(s)	+\$20		

Community Adjustments:

MISSOURI		WISCONSIN	
Doniphan, MO	-\$111	Tomah, WI	-\$40
OHIO			
Port Clinton, OH	-\$13		

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

**TABLE 4B MONTHLY BASE RENT CHART – GOOD CONDITION, 2 BEDROOM, 1 BATH
APARTMENTS
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)**

Sq Ft	5 yrs old	15 yrs old	25 yrs old	35 yrs old	45 yrs old	55 yrs old	75+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*	Garage	Air Cond (Refrig)
400	\$378	\$376	\$375	\$373	\$372	\$370	\$368	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
500	\$420	\$419	\$417	\$416	\$414	\$413	\$410	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
600	\$463	\$461	\$460	\$458	\$457	\$455	\$453	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
700	\$505	\$504	\$502	\$501	\$499	\$498	\$495	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
800	\$548	\$546	\$545	\$543	\$542	\$540	\$538	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
900	\$590	\$589	\$587	\$586	\$584	\$583	\$580	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,000	\$633	\$631	\$630	\$628	\$627	\$625	\$623	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,100	\$675	\$674	\$672	\$671	\$669	\$668	\$665	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,200	\$718	\$716	\$715	\$713	\$712	\$710	\$708	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,300	\$760	\$759	\$757	\$756	\$754	\$753	\$750	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,400	\$803	\$801	\$800	\$798	\$797	\$795	\$793	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,500	\$845	\$844	\$842	\$841	\$839	\$838	\$835	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,600	\$888	\$886	\$885	\$883	\$882	\$880	\$878	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20

Additional Adjustments:

Carport (Any Size)	+\$10	Central Evaporative Cooling	+\$10
Fireplace(s)	+\$20		

Community Adjustments:

MISSOURI		WISCONSIN	
Doniphan, MO	-\$111	Tomah, WI	-\$40
OHIO			
Port Clinton, OH	-\$13		

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

**TABLE 4C MONTHLY BASE RENT CHART – GOOD CONDITION, 1 BEDROOM, 1 BATH
APARTMENTS
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)**

Sq Ft	5 yrs old	15 yrs old	25 yrs old	35 yrs old	45 yrs old	55 yrs old	75+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*	Garage	Air Cond (Refrig)
300	\$306	\$304	\$303	\$302	\$300	\$299	\$296	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
400	\$348	\$347	\$346	\$344	\$343	\$341	\$338	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
500	\$391	\$389	\$388	\$387	\$385	\$384	\$381	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
600	\$433	\$432	\$431	\$429	\$428	\$426	\$423	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
700	\$476	\$474	\$473	\$472	\$470	\$469	\$466	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
800	\$518	\$517	\$516	\$514	\$513	\$511	\$508	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
900	\$561	\$559	\$558	\$557	\$555	\$554	\$551	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,000	\$603	\$602	\$601	\$599	\$598	\$596	\$593	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,100	\$646	\$644	\$643	\$642	\$640	\$639	\$636	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,200	\$688	\$687	\$686	\$684	\$683	\$681	\$678	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,300	\$731	\$729	\$728	\$727	\$725	\$724	\$721	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,400	\$773	\$772	\$771	\$769	\$768	\$766	\$763	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,500	\$816	\$814	\$813	\$812	\$810	\$809	\$806	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20

Additional Adjustments:

Carport (Any Size)	+\$10	Central Evaporative Cooling	+\$10
Fireplace(s)	+\$20		

Community Adjustments:

MISSOURI		WISCONSIN	
Doniphan, MO	-\$111	Tomah, WI	-\$40
OHIO			
Port Clinton, OH	-\$13		

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

**TABLE 4D MONTHLY BASE RENT CHART – GOOD CONDITION, 0 BEDROOM, 1 BATH
APARTMENTS
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)**

Sq Ft	5 yrs old	15 yrs old	25 yrs old	35 yrs old	45 yrs old	55 yrs old	75+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*	Garage	Air Cond (Refrig)
100	\$192	\$190	\$189	\$187	\$186	\$184	\$182	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
200	\$234	\$233	\$231	\$230	\$228	\$227	\$224	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
300	\$277	\$275	\$274	\$272	\$271	\$269	\$267	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
400	\$319	\$318	\$316	\$315	\$313	\$312	\$309	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
500	\$362	\$360	\$359	\$357	\$356	\$354	\$352	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
600	\$404	\$403	\$401	\$400	\$398	\$397	\$394	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
700	\$447	\$445	\$444	\$442	\$441	\$439	\$437	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
800	\$489	\$488	\$486	\$485	\$483	\$482	\$479	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
900	\$532	\$530	\$529	\$527	\$526	\$524	\$522	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,000	\$574	\$573	\$571	\$570	\$568	\$567	\$564	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20
1,100	\$617	\$615	\$614	\$612	\$611	\$609	\$607	+\$10	+\$25	-\$10	-\$15	+\$20	+\$20

Additional Adjustments:

Carport (Any Size)	+\$10	Central Evaporative Cooling	+\$10
Fireplace(s)	+\$20		

Community Adjustments:

MISSOURI		WISCONSIN	
Doniphan, MO	-\$111	Tomah, WI	-\$40
OHIO			
Port Clinton, OH	-\$13		

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments. See <http://www.nbc.gov/supportservices/cpi.html>.

D. MOBILE HOMES, TRAVEL TRAILERS, AND HOUSEBOATS

For these housing classes, use the mobile home rental charts (Tables 5a through 5c). To familiarize the reader with these charts, assume a 490 square foot, 1-bedroom mobile home built in 1977 with a $\frac{3}{4}$ bathroom. This mobile home is in poor interior and poor exterior condition and is located near Morris, Minnesota. The Monthly Base Rental Rate for the mobile home in this example is calculated as follows.

The 1-bedroom chart for mobile homes (Table 5c) should be located and used. These charts are baseline charts, which assume that each mobile home is in “good” condition inside and outside, and has one full bathroom. Therefore, if the mobile home is in “good” condition inside and outside and has one bathroom, no additional computations are needed. If there is a deviation from either “good” inside or outside condition, or there are less or more bathrooms than one, then the computations must be changed as discussed below.

First, locate Table 5c. Next, the gross **square feet** of living area should be rounded **down** to 400 square feet, and the **age** (2011-1977 = 34 years) is rounded **up** to 35+ years. The column headed “**Sq Ft**” is followed down to 400. All other adjustments are taken from this row. On this row, under the column headed “**35+ yrs old,**” the “Chart Rent” is \$324.

The base rental value of \$324 (“chart rent”) includes the value of one full bathroom. Since the unit in this example has only a $\frac{3}{4}$ bathroom, an adjustment must be made for the missing $\frac{1}{4}$ bathroom. At the top of the table is a column titled “**Per Extra Bath.**” Follow the 400 Sq Ft row across to the “Per Extra Bath” column. A value of \$11 is shown. Multiply this value times 0.25 ($\frac{1}{4}$ bathroom) to calculate the value of the missing $\frac{1}{4}$ bathroom ($\$11 \times 0.25 = \2.75). Subtract \$3 from the rent.

The second and third adjustments are for the condition of the unit. Follow the 400 Sq Ft row across to the column headed “**Poor Exterior/Interior***”; subtract \$15 for the poor exterior condition and another \$15 for the poor interior condition.

The final adjustment is the community adjustment. The mobile home in this example is located near Morris, MN. The notes beneath the table (see “**Community Adjustments**”) show an adjustment of -\$211 for Morris, MN. This indicates that the rental values for mobile homes in Boardman are significantly lower than the survey area regional average.

The Monthly Base Rental Rate for this mobile home is shown below.

Chart Rent (400 Sq Ft/35+ Yrs Old)	\$324
$\frac{3}{4}$ Bathroom Adjustment ($-\frac{1}{4} (0.25) \times \11 , rounded)*	- 3
Poor Exterior	- 15
Poor Interior	- 15
Location Adjustment (Morris, MN)	- <u>211</u>
Computed Monthly Base Rental Rate.....	\$80
Minimum Base applies; Actual Monthly Base Rental Rate.....	\$180

*The calculations are rounded to the nearest whole dollar. Any amount resulting in an amount of \$.50 or greater is rounded up; any amount resulting in an amount of \$.49 or less is rounded down.

In this example, the Monthly Base Rental Rate computes to \$80, which is less than the \$180 minimum Monthly Base Rental Rate for the North Central Survey Region (refer to the footnotes on each rent table for the minimum base rent). Therefore, the minimum base rent applies and the Monthly Base Rental Rate for the mobile home in this example will be set at \$180. Keep in mind that the *Monthly Base Rental Rate* is different from the minimum monthly *final rent*. Thus, \$180 is not the minimum final rent possible.

**TABLE 5A MONTHLY BASE RENT CHART – GOOD CONDITION, 3 BEDROOM, 1 BATH
MOBILE HOMES
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)**

Sq Ft	5 yrs old	10 yrs old	15 yrs old	20 yrs old	25 yrs old	30 yrs old	35+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*
400	\$469	\$451	\$434	\$416	\$399	\$381	\$364	+\$11	+\$15	-\$10	-\$15
500	\$486	\$469	\$451	\$434	\$417	\$399	\$382	+\$14	+\$15	-\$10	-\$15
600	\$504	\$487	\$469	\$452	\$434	\$417	\$399	+\$17	+\$15	-\$10	-\$15
700	\$522	\$505	\$487	\$470	\$452	\$435	\$417	+\$20	+\$15	-\$10	-\$15
800	\$540	\$522	\$505	\$487	\$470	\$453	\$435	+\$22	+\$15	-\$10	-\$15
900	\$558	\$540	\$523	\$505	\$488	\$470	\$453	+\$25	+\$15	-\$10	-\$15
1,000	\$575	\$558	\$540	\$523	\$506	\$488	\$471	+\$28	+\$15	-\$10	-\$15
1,100	\$593	\$576	\$558	\$541	\$523	\$506	\$488	+\$31	+\$15	-\$10	-\$15
1,200	\$611	\$594	\$576	\$559	\$541	\$524	\$506	+\$34	+\$15	-\$10	-\$15
1,300	\$629	\$611	\$594	\$576	\$559	\$542	\$524	+\$36	+\$15	-\$10	-\$15
1,400	\$647	\$629	\$612	\$594	\$577	\$559	\$542	+\$39	+\$15	-\$10	-\$15
1,500	\$664	\$647	\$629	\$612	\$595	\$577	\$560	+\$42	+\$15	-\$10	-\$15
1,600	\$682	\$665	\$647	\$630	\$612	\$595	\$577	+\$45	+\$15	-\$10	-\$15

Additional Adjustments:

Garage (Any Size)	+\$20	Central Air Conditioning	+\$20
Carport (Any Size)	+\$10	Central Evaporative Cooling	+\$10
Fireplace(s)	+\$0		

Community Adjustments:

MINNESOTA				OHIO			
Morris, MN			-\$211	McArthur, OH			-\$22
MISSOURI				WISCONSIN			
Salem, MO			-\$100	Crandon, WI			-\$82
				Tomah, WI			-\$40

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments.
See <http://www.nbc.gov/supportservices/cpi.html>.

**TABLE 5B MONTHLY BASE RENT CHART – GOOD CONDITION, 2 BEDROOM, 1 BATH
MOBILE HOMES
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)**

Sq Ft	5 yrs old	10 yrs old	15 yrs old	20 yrs old	25 yrs old	30 yrs old	35+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*
400	\$449	\$431	\$414	\$396	\$379	\$361	\$344	+\$11	+\$15	-\$10	-\$15
500	\$461	\$444	\$426	\$409	\$392	\$374	\$357	+\$14	+\$15	-\$10	-\$15
600	\$474	\$457	\$439	\$422	\$404	\$387	\$369	+\$17	+\$15	-\$10	-\$15
700	\$487	\$470	\$452	\$435	\$417	\$400	\$382	+\$20	+\$15	-\$10	-\$15
800	\$500	\$482	\$465	\$447	\$430	\$413	\$395	+\$22	+\$15	-\$10	-\$15
900	\$513	\$495	\$478	\$460	\$443	\$425	\$408	+\$25	+\$15	-\$10	-\$15
1,000	\$525	\$508	\$490	\$473	\$456	\$438	\$421	+\$28	+\$15	-\$10	-\$15
1,100	\$538	\$521	\$503	\$486	\$468	\$451	\$433	+\$31	+\$15	-\$10	-\$15
1,200	\$551	\$534	\$516	\$499	\$481	\$464	\$446	+\$34	+\$15	-\$10	-\$15
1,300	\$564	\$546	\$529	\$511	\$494	\$477	\$459	+\$36	+\$15	-\$10	-\$15
1,400	\$577	\$559	\$542	\$524	\$507	\$489	\$472	+\$39	+\$15	-\$10	-\$15
1,500	\$589	\$572	\$554	\$537	\$520	\$502	\$485	+\$42	+\$15	-\$10	-\$15

Additional Adjustments:

Garage (Any Size)	+\$20	Central Air Conditioning	+\$20
Carport (Any Size)	+\$10	Central Evaporative Cooling	+\$10
Fireplace(s)	+\$0		

Community Adjustments:

MINNESOTA				OHIO			
Morris, MN			-\$211	McArthur, OH			-\$22
MISSOURI				WISCONSIN			
Salem, MO			-\$100	Crandon, WI			-\$82
				Tomah, WI			-\$40

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments.
See <http://www.nbc.gov/supportservices/cpi.html>.

TABLE 5C MONTHLY BASE RENT CHART – GOOD CONDITION, 1 BEDROOM, 1 BATH
MOBILE HOMES
 NORTH CENTRAL REGION
 (CHARGES WILL BE ADJUSTED FOR INFLATION)

Sq Ft	5 yrs old	10 yrs old	15 yrs old	20 yrs old	25 yrs old	30 yrs old	35+ yrs old	Per Extra Bath	Excel Interior / Exterior*	Fair Interior / Exterior*	Poor Interior / Exterior*
100	\$405	\$388	\$370	\$353	\$335	\$318	\$300	+\$3	+\$15	-\$10	-\$15
200	\$413	\$396	\$378	\$361	\$343	\$326	\$308	+\$6	+\$15	-\$10	-\$15
300	\$421	\$403	\$386	\$368	\$351	\$334	\$316	+\$8	+\$15	-\$10	-\$15
400	\$429	\$411	\$394	\$376	\$359	\$341	\$324	+\$11	+\$15	-\$10	-\$15
500	\$436	\$419	\$401	\$384	\$367	\$349	\$332	+\$14	+\$15	-\$10	-\$15
600	\$444	\$427	\$409	\$392	\$374	\$357	\$339	+\$17	+\$15	-\$10	-\$15
700	\$452	\$435	\$417	\$400	\$382	\$365	\$347	+\$20	+\$15	-\$10	-\$15
800	\$460	\$442	\$425	\$407	\$390	\$373	\$355	+\$22	+\$15	-\$10	-\$15
900	\$468	\$450	\$433	\$415	\$398	\$380	\$363	+\$25	+\$15	-\$10	-\$15
1,000	\$475	\$458	\$440	\$423	\$406	\$388	\$371	+\$28	+\$15	-\$10	-\$15
1,100	\$483	\$466	\$448	\$431	\$413	\$396	\$378	+\$31	+\$15	-\$10	-\$15
1,200	\$491	\$474	\$456	\$439	\$421	\$404	\$386	+\$34	+\$15	-\$10	-\$15

Additional Adjustments:

Garage (Any Size)	+\$20	Central Air Conditioning	+\$20
Carport (Any Size)	+\$10	Central Evaporative Cooling	+\$10
Fireplace(s)	+\$0		

Community Adjustments:

MINNESOTA		OHIO	
Morris, MN	-\$211	McArthur, OH	-\$22
MISSOURI		WISCONSIN	
Salem, MO	-\$100	Crandon, WI	-\$82
		Tomah, WI	-\$40

*If both the Exterior and Interior are in this condition, apply this factor twice.

Regardless of adjustments, the minimum base rent is \$180 per month.

The appropriate CPI factor should be applied after completing the above adjustments.

See <http://www.nbc.gov/supportservices/cpi.html>.

E. CABINS

For purposes of rental rate establishment, the rental housing class most comparable to cabins will be 1-bedroom, single-family houses, regardless of the number of bedrooms in the cabin. One-bedroom, single-family rental houses generally consist of smaller and older housing units. Where a cabin is outfitted for housekeeping and contains an independent primary heating system, the rental rates (including all applicable adjustments) are determined from the 1-bedroom house chart (Table 3d).

Where a cabin lacks full facilities (including running water, inside bathroom, and/or a central heating system), additional adjustments must be made to the Monthly Base Rental Rate (MBRR). These are shown below. These adjustments are designed to take into consideration the inconvenience resulting from the lack of full housekeeping facilities.

No Electricity = -20%

No Inside Bathroom = -20%

No Running Water = -20%

No Central Heating System = -15% (applied only if used during the heating season.)
(A free-standing stove without a fan or a fireplace does not qualify as a central primary heating system.)

Less Than Two Rooms (One-Room Cabin) = -10%

However, the adjusted monthly base rental rate for cabins may not be set below the minimum rental rate for the North Central Survey Region of \$180. Keep in mind that the *Monthly Base Rental Rate* is different from the minimum monthly *final rent*. Thus, \$180 is not the minimum final rent possible.

F. DORMITORIES AND BUNKHOUSES

Dormitories and bunkhouses should only include housing units that have been specifically constructed or modified for use by several unrelated occupants. Single-family houses, apartments or mobile homes that are shared by several unrelated occupants, but are not constructed as a dormitory, must be valued as a house, plex, cabin, apartment or mobile home. In a shared house, plex, cabin, apartment or mobile home, the total unit rent will be divided by, and shared by, the number of **planned** occupants.

Dormitory or bunkhouse units typically lack either a living room or kitchen, or have common baths and centralized kitchens (cafeterias, mess halls) serving many people. Many also have multiple bunk beds in large ward-like rooms. Such housing units pose a valuation problem, as they are normally found only in association with institutions such as the military or colleges, of which its occupants are members. Since these institutions do not typically rent to the public at large, and may actually subsidize rent in these units, one cannot obtain an arms-length “private market” rent.

Under circumstances where there is a lack of comparable rental data, OMB Circular A-45 provides that rental rates may be established using an extension of the Principle of Comparability. Under this procedure,

rental rates are established using the most comparable rental housing available; the rate is essentially 50 percent of the average house rent.

During their 1994 Conference, the National Housing Council decided that one aggregate monthly rate should be established for **all** dormitories in a survey region. This aggregate dormitory rate, which includes the value of government-provided utilities, furnishings and services, was determined as follows for the North Central Region. An analysis of the comparables used in this North Central survey found that the average single-family house had 1,289 square feet of finished floor space, 2.6 bedrooms and an average monthly-adjusted contract rent of \$645. By applying an extension of the Principle of Comparability, the Base Shelter Rental Rate (BSRR) for dormitories and bunkhouses is calculated as shown below.

During their 2002 Conference, the National Housing Council reviewed different dormitory costing methods for the newer types of dormitories being built by some agencies. In researching new and existing dormitory models, it was found the majority of the dormitories plan to house two occupants per room, which the current costing methodology is based upon. In addition, most occupants in dormitories share both a kitchen and bathroom. Based on these factors, the Council decided to continue using the current costing methodology.

In the North Central Survey Region, the dormitory rate methodology is as follows:

$$\begin{aligned} &\text{Average adjusted contract rent} / 2 = \$645 / 2 = \$323 \\ &\$323 / (\text{average \# of bedrooms} \times 2 \text{ occupants per bedroom}) \\ &\$323 / (2.6 \text{ bedrooms} \times 2 \text{ occupants}) = \$323 / 5.2 = \$62.12 \text{ per month per occupant} \end{aligned}$$

Charges are then added to this rate for utilities, services and furnishings that are provided by the government. The aggregate value of these items was based on a study of the rates prevailing in the North Central regional survey area. These charges were prorated based upon a 1,289 square foot, 2.6 bedroom, single-family house occupied by 2 people per bedroom. The aggregate charge for these utilities, services and furnishings is \$63.11.

TABLE 6 DORMITORY RENTS
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)

Monthly Dormitory Charge

Dormitory Base Shelter Rent Rate (BSRR).....	\$62.12
Related Facilities and Utilities Charges.....	<u>\$63.11</u>
Monthly Base Rental Rate (MBRR).....	\$125.00
<u>Monthly:</u> MBRR rounded to nearest five cents.....	\$125.00
<u>Bi-Weekly:</u> MBRR x 0.4615, rounded to nearest five cents	\$57.70
<u>Weekly:</u> MBRR x 0.2308, rounded to nearest five cents.....	\$28.85
<u>Daily:</u> MBRR x 0.0333, rounded to nearest five cents	\$4.15

An administrative adjustment of -10% is permitted for dormitories if 3 or more people must share a bedroom or sleeping area. Also, an administrative adjustment of -10% is permitted for dormitories that lack a kitchen or cooking facilities. No other administrative adjustments, including isolation, apply to the Dormitory rate. These deductions must be taken manually and are not computed in the QMIS software.

NOTE: Dormitory rates are adjusted annually for inflation. For current dormitory rates in this region, see the annual “CPI Memorandum,” issued each November by the QMIS Office, at <http://www.nbc.gov/supportservices/cpi.html>.

G. TRANSIENT RENTS

The Transient Rent applies to individual tenants, not to individual government housing units. Therefore, transient housing is not a housing “rent class” in QMIS, and Transient Rents cannot be produced by (or printed by) the QMIS application.

“Transients” are tenants that occupy government-furnished housing normally for 90 days or less. Government installations may offer a variety of accommodations to transient tenants, such as linens, towels, cookware, dishes, and/or maid service, but none of these are required.

There are three alternative rental rates for transient tenants and agencies must apply one of the following:

1. If the transient tenant/employee is on travel status, housing managers may charge the lodging portion of the per diem to the account paying for the employee’s travel (the “Benefitting Account.”)
2. Housing managers may charge the normal rental rate as computed by QMIS for the housing unit (verify the Inventory and services provided by the government.) QMIS will calculate the daily charge.
3. Housing managers may charge the Transient Rent as published for the Survey Region.

The Transient Rent is established by extending the principle of comparability, as provided in OMB Circular A-45. Essentially, the Transient Rent is the sum of the monthly Dormitory rate, related facilities, monthly maid service (Table 18), and a 20 percent administrative charge, as required by OMB Circular A-45 paragraph 7.c (4)(a). The Transient Rent assumes that tenants will be sharing a bedroom, as in the Dormitory Rate. The calculation of the Transient Rent is shown below in Table 7.

TABLE 7 TRANSIENT RENTS
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)

Dormitory BSRR.....	\$62.12
Related Facilities and Utilities Charges	63.11
Maid Service (Table 18).....	<u>84.75</u>
Subtotal	\$209.98
Administrative Charge +20% (OMB Cir. A-45)	<u>x 1.20</u>
Transient Monthly Base Rental Rate (MBRR).....	\$251.98
<u>Monthly</u> : MBRR rounded to nearest five cents.....	\$252.00
<u>Bi-Weekly</u> : MBRR x .4615, rounded to nearest five cents.....	\$116.30
<u>Weekly</u> : MBRR x .2308, rounded to nearest five cents.....	\$58.15
<u>Daily</u> : MBRR x .0333, rounded to nearest five cents	\$8.40

NOTE: Transient rates are adjusted annually for inflation. For current transient rates in this region, see the annual “CPI Memorandum,” issued each November by the QMIS Office, at <http://www.nbc.gov/supportservices/cpi.html>.

H. TRAILER PADS

During the North Central survey, trailer pads were surveyed in a variety of mobile home parks. They differed in physical characteristics, utilities, rents, and geographic location.

A simplified analysis of this data was done. The value of related facilities in the contract rent was subtracted to arrive at an adjusted rent. After excluding extreme outliers, the average adjusted rent was determined for the remaining samples.

The average adjusted rent was then divided into the actual rent of each remaining sample. Those communities where the adjusted contract rents were significantly lower than the average rent for the region were adjusted to the community average trailer pad rents. As with houses, apartments and mobile homes, those trailer pads in high-cost areas are “capped” at the average trailer pad rent for the survey region.

During their 1993 Conference, the National Housing Council agreed to assess the monthly base rental rate for single-wide trailer pads for **all** government-furnished trailer pads. This is because Trailer Pads are for tenant-owned trailers or RVs, and most RVs are not double-wide. Also, market differences between single-wide and double-wide trailer pads are negligible.

To determine the trailer pad Monthly Base Rental Rate, use the applicable rate contained in Table 8. Do not use the rates in Table 8 if the trailer pad is occupied by a government-owned or -leased trailer, recreational vehicle or mobile home; this would be a “travel trailer” (recreational vehicle or “RV”) or “mobile home” rent class, and the “pad/space rent” is already included in the base rent calculation for these units. **Rates in Table 8 are used only if a tenant-owned trailer or RV is parked on a government-owned trailer pad.**

For example, if a trailer pad were occupied by a tenant-owned RV located near Silver Bay, Minnesota, the base rent for this pad would be \$133 per month. If, for another example, the trailer space were located near Munising, Michigan, the base rental rate for this pad would be \$168 (the “All Other Locations” charge.) No other adjustments are made for physical characteristics, such as the date the trailer pad was installed, the square footage, or the total number of sites at that location.

However, all appropriate administrative adjustments (such as site amenities and isolation adjustments), as well as all charges for government-provided related facilities (such as utilities and furnishings) should be applied to the Monthly Base Rental Rates in Table 8 to determine the monthly net rental charge.

TABLE 8 TRAILER PADS - MONTHLY BASE RENTAL RATES
NORTH CENTRAL REGION
 (CHARGES WILL BE ADJUSTED FOR INFLATION)

<u>COMMUNITIES</u>	<u>MONTHLY BASE RENTAL RATES</u>
MICHIGAN	
Newberry, MI	\$156
MINNESOTA	
International Falls, MN	\$131
Silver Bay, MN	\$133
WISCONSIN	
Washburn, WI	\$149
ALL OTHER LOCATIONS	\$168

I. OBSOLETE HOUSING UNITS

OMB Circular A-45 (revised October 20, 1993) excludes from the term rental units "...housing which due to extreme deterioration is unsuitable for occupancy except in exigent circumstances. ..." The net effect of this change means there will be no base rental rate for obsolete units. However, assessments will be made for utilities, furnishings, appliances, and any other services that are provided by the government.

The Department of the Interior *Housing Management Handbook* (DM 400, Chapter 3, revised April 2009), and the regulations of other QMIS Program participants, require that housing used for employees must be safe, sanitary, and energy efficient. Where housing is in obsolete condition, it is by definition unfit for use as employee housing, and should be renovated, replaced, destroyed or used for non-residential purposes (Section 4.1.8.) Section 3.4.3A of the *Handbook* also provides that the Assistant Secretary (or head of the bureau/office or regional/area director where authority has been delegated) may authorize temporary occupancy, for a period not to exceed one year, pending a rehabilitation or replacement action and where sufficient written justification is provided.

VI. CHARGES FOR UTILITIES, APPLIANCES AND RELATED SERVICES

A. BACKGROUND

OMB Circular A-45 requires that utilities should be provided by a private company and billed directly to housing occupants whenever possible. Where government-furnished utilities are provided, they should be metered or measured. Consumption will be determined from historic records or meter readings of the average consumption of each utility in the government housing unit. **Where the government furnishes utilities, and where meters exist, the utility rate may be the actual rate paid by the government if that rate is the same as the residential rate in the area. If the actual government rate is a special or contract rate, it may not be used; the rate shall be the regional average utility rate prescribed in this report and subsequent Consumer Price Index memorandums.**

When government-furnished utilities are not metered or measured, consumption will be determined from an analysis of the average consumption in comparable private housing in the nearest established community or survey area. **Where the government furnishes utilities, and where meters do not exist, the rate shall be the regional average utility rate prescribed in this report and subsequent Consumer Price Index memorandums.** These published rates are the survey area regional average rates, not the rates prevailing in the nearest established community.

The regional average utility rates contained in this report include all applicable delivery charges, adjustments, taxes and surcharges. Charges for government-provided appliances, services and furnishings (those in Table 18) are based upon nationwide average costs.

The following sections of this report detail the consumption and cost data to be used when a utility is provided by the government, and a meter is not available for the housing unit, therefore the QMIS application will be estimating consumption and including costs for the utility in the rent calculation.

The cost data in this report will be adjusted for inflation with the Consumer Price Index (CPI) by the QMIS Office each year, as required by OMB Circular A-45. Current utility rates for each region are published in the annual "CPI Memorandum" in November (see

<http://www.nbc.gov/supportservices/cpi.html>), and are included in the annual QMIS rent calculation software, released in December or January.

B. ENERGY CONSUMPTION STUDY

1. **General.** Energy consumption estimates are required where the government furnishes the space heating or cooling fuel or electricity, and where consumption is neither metered nor measured. In such instances, average energy consumption must be estimated and the government must assess a charge based on private sector energy costs in the survey area. No methodology for estimating energy consumption can exactly predict the amounts of energy needed to heat or cool specific dwellings. Precise consumption measurements are possible only when metering is used. However, the methodology used in this report will yield **reasonable** estimates of the heating and cooling energy consumption requirements of unmetered dwellings. The methodology employed in this section was developed by a contractor. For this report, however, the contractor-provided tables and conversion charts have been reformatted, and the methodology has been re-stated, to simplify the process of estimating energy consumption requirements. The unit costs for various fuel types and for electricity (e.g., the cost per gallon for fuel oil and propane; the cost per MCF (1,000 cubic feet) for natural gas; and the cost per KWH for electricity) are regional averages of the unit fuel/electricity prices gathered in each community surveyed for rental comparables.
2. **Housing Prototypes.** For the North Central energy study, estimates of the heating and cooling energy requirements were prepared for each of the following six prototypical housing units.

Type I – Single family, one story, no basement

Type II – Single family, one story, full basement

Type III – Single family, two story, no basement

Type IV – Single family, two story, full basement

Type V – Apartment unit

Type VI – Mobile Home

3. **Assumptions.** Housing prototypes reflect energy efficiency. For example, mobile homes are the least energy efficient housing prototype, and apartments are the most energy efficient housing prototype. For each of the housing prototypes, the following assumptions were made:
 - a. Location – The housing is located in Springfield, Illinois (the “Baseline City” for the North Central Region.)
 - b. R values – Each housing type has the R values of insulation in floors, walls, and ceilings recommended in the HUD Minimum Property Standards (HUD-MPS) for the Springfield, IL area.
 - c. Occupants – The housing contains an average compliment of occupants who are energy conscious (one person per 500 feet of floor space was assumed).
 - d. All measurements are of finished living space only and are based upon exterior dimensions.

- e. Condition – The housing is in good condition.
 - f. Building shape – A rectangular shape with a ratio of 2:1 was established. This provides more building skin than a square configuration therefore; the rectangular shape yields a conservative estimate of skin loads.
 - g. Window area – A window area of 10 percent of wall area was used to match UBC (Uniform Building Code) minimum window area standards.
 - h. Roof type – A flat or pitched roof with ceiling insulation was assumed in all cases.
 - i. Air changes – 1.5 air changes per hour were established as representing a conservative estimate of air changes in residential applications.
 - j. Perimeter loss – Approximately 10 percent of overall building load is attributed to the slab on grade floors with rigid insulation to a value of R-6.
4. Using the above assumptions, infiltration factors developed by the Department of Energy, R values, building dimensions, and cooling and heating degree days, a contractor has formulated methodologies for estimating British Thermal Unit (BTU) and kilowatt hour (KwH) consumption rates and costs for heating and cooling. The relevant portions of the methodology are explained below.

C. SPACE HEATING - FOSSIL FUEL CONSUMPTION AND COST CALCULATIONS

To illustrate the procedure for calculating the cost of heating with fossil fuel, a single story 1,850 square foot house, with no basement, located near Chesterton, Indiana will be used as an example.

1. The first step is to select from among Tables 9a through 9f the table that most closely describes the unit at issue. In this case, Table 9a is for a 1-story single-family house with a partial (50 percent or less) or no basement (Prototype I). When determining the prototype, use the total basement (finished and unfinished) square footage. Unfinished space is only considered when determining the prototype. It is never used for a rent or consumption chart. Table 9a should be selected in this example.
2. The second step is to determine the number of BTUs consumed **annually** for heating the house used in this example. Select from Table 9a the annual MBTU (Million British Thermal Units) consumption appropriate for the heating degree days (HDDs) and the gross **finished** square footage of the house in this example. Use the table as shown below.
 - a. Find the number of HDDs for the established community near which the housing units are located. Table 10 contains the HDDs for all of the nearest established communities in the North Central region; this table shows that Chesterton, IN has 6,456 HDDs. In Table 9a, 6,456 HDDs lies between the columns headed “**6,000**” and “**6,500**.” Round 6,456 HDDs down to the 6,000 HDD column.
 - b. In Table 9a, 1,850 square feet (the size of the house used in the example) lies between the “1,800” and “2,000” square feet rows; round 1,850 down to the 1,800 square feet row.
 - c. From Table 9a (1,800 square feet and 6,000 HDDs) the annual MBTU consumption rate is 84.6 MBTUs. This indicates the MBTUs required to heat a 1,800 square foot home with fossil fuel in Chesterton, IN annually.

3. The third step is to calculate the amount of fossil fuel needed to produce 84.6 MBTUs. Table 11 shows the amount of fossil fuel needed to produce 1 MBTU. The total amount of heating fuel required to produce 84.6 MBTUs is computed by multiplying the appropriate fuel factor in Table 11 by the number of MBTUs. In this case the fuel required is:

Natural Gas:	84.6 MBTUs x 1 MCF	=	84.6 MCF
Propane:	84.6 MBTUs x 10.2 gallons	=	862.9 gallons
Fuel Oil:	84.6 MBTUs x 7.04 gallons	=	595.6 gallons

4. The fourth step is to calculate the annual cost of the fossil fuel consumed. This can be done by multiplying the annual fuel consumption by the unit fuel charges shown in Table 12. Following this procedure, the charge for fuel consumed annually to produce 84.6 MBTUs is:

Natural Gas:	84.6 MCF x \$10.10 (per MCF)	=	\$854.46 annually
Propane:	862.9 gallons x \$2.35 (per gallon)	=	\$2,027.82 annually
Fuel Oil:	595.6 gallons x \$3.56 (per gallon)	=	\$2,120.34 annually

5. The fifth step is to calculate the monthly charge. This is done simply by dividing the annual charges (above) by 12 (months). In this manner, the monthly charges are: natural gas = \$71.20 monthly; propane = \$168.99 monthly; and fuel oil = \$176.70 monthly.
6. The final step is to multiply the monthly charge (computed in step 5 above) by the appropriate HUD MPS Heating Zone conversion factor (Table 13). In order to use Table 13, it is first necessary to determine the HUD MPS Zone for the community at issue (Chesterton, IN). Table 10 shows the HUD MPS Zones for the nearest established communities located within the North Central region. From Table 10, it can be seen that Chesterton is in MPS Zone 7. The conversion factor can now be found in Table 13. The conversion factor for a single story dwelling with no basement (Prototype I) in HUD MPS Zone 7 is 1.05. Multiply the monthly charges determined in step 5 above by 1.05 (the conversion factor). In this manner, the heating fuel charge can be computed for any housing unit in any community or location. In this example, the final monthly heating costs are \$74.76 (\$71.20 x 1.05) for natural gas, \$177.44 (\$168.99 x 1.05) for propane; and \$185.54 (\$176.70 x 1.05) for fuel oil.

Remember, the above example pertained to a single story 1,850 square foot house with a partial basement (50 percent or less) or no basement. When calculating the heating fuel charge for a different type of housing, such as apartments and mobile homes, use the table (Tables 9a through 9f) which most closely describes the housing unit in order to compute the annual MBTU consumption.

TABLE 9A ANNUAL MBTU USAGE (MILLIONS BTUS) - PROTOTYPE I
Single Family, One Story, Partial (Less Than 50%) or No Basement
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating Degree Days																
Gross																
Sq Ft	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000	7,500	8,000	8,500	9,000	9,500	10,000	10,500
100	2.3	2.7	3.1	3.5	3.9	4.3	4.7	5.1	5.5	5.9	6.3	6.7	7.0	7.4	7.8	8.2
200	4.7	5.5	6.3	7.0	7.8	8.6	9.4	10.2	11.0	11.7	12.5	13.3	14.1	14.9	15.7	16.4
400	9.4	11.0	12.5	14.1	15.7	17.2	18.8	20.4	21.9	23.5	25.1	26.6	28.2	29.8	31.3	32.9
600	14.1	16.4	18.8	21.1	23.5	25.8	28.2	30.5	32.9	35.2	37.6	39.9	42.3	44.6	47.0	49.3
800	18.8	21.9	25.1	28.2	31.3	34.5	37.6	40.7	43.9	47.0	50.1	53.3	56.4	59.5	62.6	65.8
1,000	23.5	27.4	31.3	35.2	39.2	43.1	47.0	50.9	54.8	58.7	62.6	66.6	70.5	74.4	78.3	82.2
1,200	28.2	32.9	37.6	42.3	47.0	51.7	56.4	61.1	65.8	70.5	75.2	79.9	84.6	89.3	94.0	98.7
1,400	32.9	38.4	43.9	49.3	54.8	60.3	65.8	71.3	76.7	82.2	87.7	93.2	98.7	104.2	109.6	115.1
1,600	37.6	43.9	50.1	56.4	62.6	68.9	75.2	81.4	87.7	94.0	100.2	106.5	112.8	119.0	125.3	131.6
1,800	42.3	49.3	56.4	63.4	70.5	77.5	84.6	91.6	98.7	105.7	112.8	119.8	126.9	133.9	141.0	148.0
2,000	47.0	54.8	62.6	70.5	78.3	86.1	94.0	101.8	109.6	117.5	125.3	133.1	141.0	148.8	156.6	164.5
2,200	51.7	60.3	68.9	77.5	86.1	94.8	103.4	112.0	120.6	129.2	137.8	146.4	155.1	163.7	172.3	180.9
2,400	56.4	65.8	75.2	84.6	94.0	103.4	112.8	122.2	131.6	141.0	150.4	159.8	169.2	178.6	187.9	197.3
2,600	61.1	71.3	81.4	91.6	101.8	112.0	122.2	132.3	142.5	152.7	162.9	173.1	183.3	193.4	203.6	213.8
2,800	65.8	76.7	87.7	98.7	109.6	120.6	131.6	142.5	153.5	164.5	175.4	186.4	197.3	208.3	219.3	230.2
3,000	70.5	82.2	94.0	105.7	117.5	129.2	141.0	152.7	164.5	176.2	187.9	199.7	211.4	223.2	234.9	246.7

TABLE 9B ANNUAL MBTU USAGE (MILLIONS BTUS) - PROTOTYPE II
Single Family, Single Story, Full Basement
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating Degree Days																
Gross Sq Ft	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000	7,500	8,000	8,500	9,000	9,500	10,000	10,500
100	1.8	2.1	2.4	2.7	3.0	3.3	3.6	3.9	4.2	4.5	4.8	5.1	5.4	5.7	6.0	6.3
200	3.6	4.2	4.8	5.4	6.0	6.6	7.2	7.8	8.4	9.0	9.6	10.2	10.9	11.5	12.1	12.7
400	7.2	8.4	9.6	10.9	12.1	13.3	14.5	15.7	16.9	18.1	19.3	20.5	21.7	22.9	24.1	25.3
600	10.9	12.7	14.5	16.3	18.1	19.9	21.7	23.5	25.3	27.1	28.9	30.7	32.6	34.4	36.2	38.0
800	14.5	16.9	19.3	21.7	24.1	26.5	28.9	31.3	33.8	36.2	38.6	41.0	43.4	45.8	48.2	50.6
1,000	18.1	21.1	24.1	27.1	30.1	33.2	36.2	39.2	42.2	45.2	48.2	51.2	54.3	57.3	60.3	63.3
1,200	21.7	25.3	28.9	32.6	36.2	39.8	43.4	47.0	50.6	54.3	57.9	61.5	65.1	68.7	72.3	76.0
1,400	25.3	29.5	33.8	38.0	42.2	46.4	50.6	54.9	59.1	63.3	67.5	71.7	76.0	80.2	84.4	88.6
1,600	28.9	33.8	38.6	43.4	48.2	53.1	57.9	62.7	67.5	72.3	77.2	82.0	86.8	91.6	96.5	101.3
1,800	32.6	38.0	43.4	48.8	54.3	59.7	65.1	70.5	76.0	81.4	86.8	92.2	97.7	103.1	108.5	113.9
2,000	36.2	42.2	48.2	54.3	60.3	66.3	72.3	78.4	84.4	90.4	96.5	102.5	108.5	114.5	120.6	126.6
2,200	39.8	46.4	53.1	59.7	66.3	72.9	79.6	86.2	92.8	99.5	106.1	112.7	119.4	126.0	132.6	139.3
2,400	43.4	50.6	57.9	65.1	72.3	79.6	86.8	94.0	101.3	108.5	115.8	123.0	130.2	137.5	144.7	151.9
2,600	47.0	54.9	62.7	70.5	78.4	86.2	94.0	101.9	109.7	117.6	125.4	133.2	141.1	148.9	156.7	164.6
2,800	50.6	59.1	67.5	76.0	84.4	92.8	101.3	109.7	118.2	126.6	135.0	143.5	151.9	160.4	168.8	177.2
3,000	54.3	63.3	72.3	81.4	90.4	99.5	108.5	117.6	126.6	135.6	144.7	153.7	162.8	171.8	180.9	189.9

TABLE 9C ANNUAL MBTU USAGE (MILLIONS BTUS) - PROTOTYPE III
Single Family, Two Story, Partial (Less Than 50%) or No Basement
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating Degree Days																
Gross																
Sq Ft	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000	7,500	8,000	8,500	9,000	9,500	10,000	10,500
100	2.0	2.4	2.7	3.1	3.4	3.7	4.1	4.4	4.8	5.1	5.4	5.8	6.1	6.5	6.8	7.1
200	4.1	4.8	5.4	6.1	6.8	7.5	8.2	8.8	9.5	10.2	10.9	11.6	12.3	12.9	13.6	14.3
400	8.2	9.5	10.9	12.3	13.6	15.0	16.3	17.7	19.1	20.4	21.8	23.1	24.5	25.9	27.2	28.6
600	12.3	14.3	16.3	18.4	20.4	22.5	24.5	26.5	28.6	30.6	32.7	34.7	36.8	38.8	40.8	42.9
800	16.3	19.1	21.8	24.5	27.2	30.0	32.7	35.4	38.1	40.8	43.6	46.3	49.0	51.7	54.5	57.2
1,000	20.4	23.8	27.2	30.6	34.0	37.4	40.8	44.2	47.7	51.1	54.5	57.9	61.3	64.7	68.1	71.5
1,200	24.5	28.6	32.7	36.8	40.8	44.9	49.0	53.1	57.2	61.3	65.4	69.4	73.5	77.6	81.7	85.8
1,400	28.6	33.4	38.1	42.9	47.7	52.4	57.2	61.9	66.7	71.5	76.2	81.0	85.8	90.5	95.3	100.1
1,600	32.7	38.1	43.6	49.0	54.5	59.9	65.4	70.8	76.2	81.7	87.1	92.6	98.0	103.5	108.9	114.4
1,800	36.8	42.9	49.0	55.1	61.3	67.4	73.5	79.6	85.8	91.9	98.0	104.2	110.3	116.4	122.5	128.7
2,000	40.8	47.7	54.5	61.3	68.1	74.9	81.7	88.5	95.3	102.1	108.9	115.7	122.5	129.3	136.2	143.0
2,200	44.9	52.4	59.9	67.4	74.9	82.4	89.9	97.3	104.8	112.3	119.8	127.3	134.8	142.3	149.8	157.3
2,400	49.0	57.2	65.4	73.5	81.7	89.9	98.0	106.2	114.4	122.5	130.7	138.9	147.0	155.2	163.4	171.5
2,600	53.1	61.9	70.8	79.6	88.5	97.3	106.2	115.0	123.9	132.7	141.6	150.4	159.3	168.1	177.0	185.8
2,800	57.2	66.7	76.2	85.8	95.3	104.8	114.4	123.9	133.4	143.0	152.5	162.0	171.5	181.1	190.6	200.1
3,000	61.3	71.5	81.7	91.9	102.1	112.3	122.5	132.7	143.0	153.2	163.4	173.6	183.8	194.0	204.2	214.4

TABLE 9D ANNUAL MBTU USAGE (MILLIONS BTUS) - PROTOTYPE IV
Single Family, Two Story, Full Basement
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating Degree Days																
Gross Sq Ft	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000	7,500	8,000	8,500	9,000	9,500	10,000	10,500
100	2.2	2.6	3.0	3.4	3.7	4.1	4.5	4.9	5.2	5.6	6.0	6.4	6.7	7.1	7.5	7.9
200	4.5	5.2	6.0	6.7	7.5	8.2	9.0	9.7	10.5	11.2	12.0	12.7	13.5	14.2	15.0	15.7
400	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	27.0	28.5	30.0	31.5
600	13.5	15.7	18.0	20.2	22.5	24.7	27.0	29.2	31.5	33.7	36.0	38.2	40.4	42.7	44.9	47.2
800	18.0	21.0	24.0	27.0	30.0	33.0	36.0	38.9	41.9	44.9	47.9	50.9	53.9	56.9	59.9	62.9
1,000	22.5	26.2	30.0	33.7	37.5	41.2	44.9	48.7	52.4	56.2	59.9	63.7	67.4	71.2	74.9	78.6
1,200	27.0	31.5	36.0	40.4	44.9	49.4	53.9	58.4	62.9	67.4	71.9	76.4	80.9	85.4	89.9	94.4
1,400	31.5	36.7	41.9	47.2	52.4	57.7	62.9	68.2	73.4	78.6	83.9	89.1	94.4	99.6	104.9	110.1
1,600	36.0	41.9	47.9	53.9	59.9	65.9	71.9	77.9	83.9	89.9	95.9	101.9	107.9	113.8	119.8	125.8
1,800	40.4	47.2	53.9	60.7	67.4	74.2	80.9	87.6	94.4	101.1	107.9	114.6	121.3	128.1	134.8	141.6
2,000	44.9	52.4	59.9	67.4	74.9	82.4	89.9	97.4	104.9	112.4	119.8	127.3	134.8	142.3	149.8	157.3
2,200	49.4	57.7	65.9	74.2	82.4	90.6	98.9	107.1	115.3	123.6	131.8	140.1	148.3	156.5	164.8	173.0
2,400	53.9	62.9	71.9	80.9	89.9	98.9	107.9	116.8	125.8	134.8	143.8	152.8	161.8	170.8	179.8	188.7
2,600	58.4	68.2	77.9	87.6	97.4	107.1	116.8	126.6	136.3	146.1	155.8	165.5	175.3	185.0	194.7	204.5
2,800	62.9	73.4	83.9	94.4	104.9	115.3	125.8	136.3	146.8	157.3	167.8	178.3	188.7	199.2	209.7	220.2
3,000	67.4	78.6	89.9	101.1	112.4	123.6	134.8	146.1	157.3	168.5	179.8	191.0	202.2	213.5	224.7	235.9

TABLE 9E ANNUAL MBTU USAGE (MILLIONS BTUS) - PROTOTYPE V
 Apartments
 NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating Degree Days																
Gross Sq Ft	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000	7,500	8,000	8,500	9,000	9,500	10,000	10,500
100	1.5	1.7	2.0	2.2	2.4	2.7	2.9	3.2	3.4	3.7	3.9	4.2	4.4	4.7	4.9	5.1
200	2.9	3.4	3.9	4.4	4.9	5.4	5.9	6.4	6.9	7.3	7.8	8.3	8.8	9.3	9.8	10.3
400	5.9	6.9	7.8	8.8	9.8	10.8	11.8	12.7	13.7	14.7	15.7	16.7	17.6	18.6	19.6	20.6
600	8.8	10.3	11.8	13.2	14.7	16.2	17.6	19.1	20.6	22.0	23.5	25.0	26.5	27.9	29.4	30.9
800	11.8	13.7	15.7	17.6	19.6	21.6	23.5	25.5	27.4	29.4	31.4	33.3	35.3	37.2	39.2	41.2
1,000	14.7	17.1	19.6	22.0	24.5	26.9	29.4	31.8	34.3	36.7	39.2	41.6	44.1	46.5	49.0	51.4
1,200	17.6	20.6	23.5	26.5	29.4	32.3	35.3	38.2	41.2	44.1	47.0	50.0	52.9	55.9	58.8	61.7
1,400	20.6	24.0	27.4	30.9	34.3	37.7	41.2	44.6	48.0	51.4	54.9	58.3	61.7	65.2	68.6	72.0
1,600	23.5	27.4	31.4	35.3	39.2	43.1	47.0	51.0	54.9	58.8	62.7	66.6	70.6	74.5	78.4	82.3
1,800	26.5	30.9	35.3	39.7	44.1	48.5	52.9	57.3	61.7	66.1	70.6	75.0	79.4	83.8	88.2	92.6
2,000	29.4	34.3	39.2	44.1	49.0	53.9	58.8	63.7	68.6	73.5	78.4	83.3	88.2	93.1	98.0	102.9
2,200	32.3	37.7	43.1	48.5	53.9	59.3	64.7	70.1	75.5	80.8	86.2	91.6	97.0	102.4	107.8	113.2
2,400	35.3	41.2	47.0	52.9	58.8	64.7	70.6	76.4	82.3	88.2	94.1	100.0	105.8	111.7	117.6	123.5
2,600	38.2	44.6	51.0	57.3	63.7	70.1	76.4	82.8	89.2	95.5	101.9	108.3	114.7	121.0	127.4	133.8
2,800	41.2	48.0	54.9	61.7	68.6	75.5	82.3	89.2	96.0	102.9	109.8	116.6	123.5	130.3	137.2	144.1
3,000	44.1	51.4	58.8	66.1	73.5	80.8	88.2	95.5	102.9	110.2	117.6	124.9	132.3	139.6	147.0	154.3

TABLE 9F ANNUAL MBTU USAGE (MILLIONS BTUS) - PROTOTYPE VI
Mobile Homes
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating Degree Days																
Gross Sq Ft	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000	7,500	8,000	8,500	9,000	9,500	10,000	10,500
100	3.8	4.5	5.1	5.7	6.4	7.0	7.6	8.3	8.9	9.6	10.2	10.8	11.5	12.1	12.7	13.4
200	7.6	8.9	10.2	11.5	12.7	14.0	15.3	16.6	17.8	19.1	20.4	21.7	22.9	24.2	25.5	26.8
400	15.3	17.8	20.4	22.9	25.5	28.0	30.6	33.1	35.7	38.2	40.8	43.3	45.9	48.4	51.0	53.5
600	22.9	26.8	30.6	34.4	38.2	42.1	45.9	49.7	53.5	57.4	61.2	65.0	68.8	72.7	76.5	80.3
800	30.6	35.7	40.8	45.9	51.0	56.1	61.2	66.3	71.4	76.5	81.6	86.7	91.8	96.9	102.0	107.1
1,000	38.2	44.6	51.0	57.4	63.7	70.1	76.5	82.9	89.2	95.6	102.0	108.4	114.7	121.1	127.5	133.9
1,200	45.9	53.5	61.2	68.8	76.5	84.1	91.8	99.4	107.1	114.7	122.4	130.0	137.7	145.3	153.0	160.6
1,400	53.5	62.5	71.4	80.3	89.2	98.2	107.1	116.0	124.9	133.9	142.8	151.7	160.6	169.6	178.5	187.4
1,600	61.2	71.4	81.6	91.8	102.0	112.2	122.4	132.6	142.8	153.0	163.2	173.4	183.6	193.8	204.0	214.2
1,800	68.8	80.3	91.8	103.3	114.7	126.2	137.7	149.2	160.6	172.1	183.6	195.1	206.5	218.0	229.5	241.0
2,000	76.5	89.2	102.0	114.7	127.5	140.2	153.0	165.7	178.5	191.2	204.0	216.7	229.5	242.2	255.0	267.7
2,200	84.1	98.2	112.2	126.2	140.2	154.3	168.3	182.3	196.3	210.4	224.4	238.4	252.4	266.4	280.5	294.5
2,400	91.8	107.1	122.4	137.7	153.0	168.3	183.6	198.9	214.2	229.5	244.8	260.1	275.4	290.7	306.0	321.3
2,600	99.4	116.0	132.6	149.2	165.7	182.3	198.9	215.5	232.0	248.6	265.2	281.7	298.3	314.9	331.5	348.0
2,800	107.1	124.9	142.8	160.6	178.5	196.3	214.2	232.0	249.9	267.7	285.6	303.4	321.3	339.1	357.0	374.8
3,000	114.7	133.9	153.0	172.1	191.2	210.4	229.5	248.6	267.7	286.8	306.0	325.1	344.2	363.3	382.5	401.6

TABLE 10 HEATING/COOLING DEGREE DAYS AND MPS ZONES

<u>Community</u>	<u>Heating Degree Days</u>	<u>Cooling Degree Days</u>	<u>HUD MPS Zone</u>
ILLINOIS			
Anna, IL	4,383	1,330	4
Broadview, IL	6,083	1,001	4
Danville, IL	5,555	1,027	4
Harrisburg, IL	4,666	1,379	4
Havana, IL	5,980	1,059	6
Marion, IL	5,168	1,112	4
North Chicago, IL	6,630	702	4
Springfield, IL	5,596	1,165	6
Westchester, IL	6,630	702	4
INDIANA			
Chesterton, IN	6,456	694	7
Dale, IN	4,967	1,259	4
Marion, IN	6,143	819	5
Seymour, IN	5,472	943	5
Terre Haute, IN	5,433	1,107	5
IOWA			
Missouri Valley, IA	6,695	937	7
West Branch, IA	6,052	1,134	7
MICHIGAN			
Battle Creek, MI	6,742	559	8
East Tawas, MI	7,438	362	8
Frankfort, MI	7,262	383	8
Fremont, MI	7,607	364	8
Gaylord, MI	8,200	308	8
Gladstone, MI	8,584	223	8
Grayling, MI	8,658	254	8
Houghton, MI	8,166	318	8
Iron Mountain, MI	8,784	325	8
Iron River, MI	10,028	148	8

TABLE 10 HEATING/COOLING DEGREE DAYS AND MPS ZONES (Continued)

<u>Community</u>	<u>Heating Degree Days</u>	<u>Cooling Degree Days</u>	<u>HUD MPS Zone</u>
MICHIGAN (Continued)			
Manistee, MI	6,970	478	8
Manistique, MI	8,945	158	8
Milan, MI	6,683	529	8
Munising, MI	9,025	163	8
Newberry, MI	8,582	243	8
Reed City, MI	8,123	301	8
St. Ignace, MI	8,156	274	8
MINNESOTA			
Aitkin, MN	9,461	259	8
Aurora, MN	10,025	243	8
Bemidji, MN	9,540	349	8
Chaska, MN	7,549	803	8
Detroit Lakes, MN	9,212	489	8
Duluth, MN	9,724	189	8
Ely, MN	10,572	178	8
Grand Rapids, MN	9,533	295	8
International Falls, MN	10,269	233	8
Little Falls, MN	8,447	602	8
Morris, MN	8,758	568	8
Pipestone, MN	8,422	611	8
Sandstone, MN	9,102	346	8
Silver Bay, MN	10,674	97	8
Thief River Falls, MN	9,822	448	8
Virginia, MN	10,039	214	8
MISSOURI			
Boonville, MO	5,210	1,353	5
Brookfield, MO	5,928	1,032	6
Dexter, MO	3,844	1,802	4
Doniphan, MO	4,616	1,303	4
Independence, MO	5,373	1,176	4
Mountain View, MO	4,845	1,133	4
Potosi, MO	4,886	1,268	4
Republic, MO	4,602	1,366	4
Salem, MO	4,381	1,324	4
Springfield, MO	4,602	1,366	4

TABLE 10 HEATING/COOLING DEGREE DAYS AND MPS ZONES (Continued)

<u>Community</u>	<u>Heating Degree Days</u>	<u>Cooling Degree Days</u>	<u>HUD MPS Zone</u>
NEBRASKA			
Falls City, NE	5,795	1,282	6
OHIO			
Akron, OH	5,752	856	6
Brecksville, OH	6,121	702	6
Chillicothe, OH	5,570	863	6
Dayton, OH	5,690	935	6
McArthur, OH	5,989	615	6
Oak Harbor, OH	5,894	845	6
Port Clinton, OH	6,209	814	6
WISCONSIN			
Crandon, WI	9,474	166	8
Medford, WI	8,971	332	8
Milwaukee, WI	7,087	616	8
Osceola, WI	8,036	639	8
Park Falls, WI	9,078	297	8
Rhineland, WI	9,080	288	8
Somerset, WI	7,606	715	8
Spooner, WI	8,452	429	8
Sturgeon Bay, WI	8,145	357	8
Tomah, WI	7,931	541	8
Washburn, WI	8,452	429	8

TABLE 11 **FUEL REQUIRED TO PRODUCE 1 MBTU**
ALL REGIONS

Type of Fuel	Amount Needed to Produce 1 MBTU
Natural Gas	1 MCF (1,000 cu. ft.)
Propane	10.2 Gallons
Fuel Oil #2	7.04 Gallons

TABLE 12 **HEATING FUEL COST**
NORTH CENTRAL REGION
(CHARGES WILL BE ADJUSTED FOR INFLATION)

Type of Fuel	Charge per unit
Natural Gas	\$10.10
Propane	\$2.35
Fuel Oil #2	\$3.56

TABLE 13 MPS HEATING ZONE CONVERSION FACTORS

NORTH CENTRAL REGION						
Dwelling Prototypes						
	I	II	III	IV	V	VI
HUD MPS Heating <u>Zone</u>	Single Story No <u>Basement</u>	Single Story Full <u>Basement</u>	Double Story No <u>Basement</u>	Double Story Full <u>Basement</u>	Apart- ments	Mobile <u>Homes</u>
1						
2						
3						
4	.92	.89	.90	.91	.87	.91
5	1.00	1.00	1.00	1.00	1.00	1.00
6	1.00	1.00	1.00	1.00	1.00	1.00
7	1.05	1.07	1.06	1.06	1.09	1.06
8	.95	.93	.94	.94	.91	.94

D. SPACE HEATING - ELECTRICITY CONSUMPTION AND COST CALCULATIONS

The procedure for calculating electrical consumption and costs for space heating, where electricity is unmetered or otherwise unmeasured, is similar to the procedure used for fossil fuels. Tables 14a through 14f are used.

1. Select from these tables the dwelling prototype most similar to the unit at issue.
2. Determine the annual kilowatt hour (KwH) consumption by finding the appropriate columns for square feet and HDD (heating degree days). Note: HDDs for the nearest established communities may be found in Table 10.
3. Divide the annual KwH by 12 to determine the monthly average electrical consumption.
4. Adjust for HUD MPS Heating Zone, using the conversion factors in Table 13.
5. Adjust for heat pump (if applicable).
6. Determine the appropriate charge per KwH from the table below. **Do not calculate the total cost of electricity (or any utility) in steps – such as the first 500 KwH costs so much, then the second 500 KwH costs so much, etc.** Use the price category that applies to the total units consumed. For example, 800 KwH per month would use the “501 – 1,000” charge for all 800 KwH.

<u>KwH Consumed</u> <u>Per Month</u>	<u>North Central Region</u> <u>Charge per KwH*</u>
1 – 500	\$.128
501 – 1,000	\$.120
1,001 – 1,500	\$.116
Over 1,500	\$.114

*Will be adjusted for inflation annually

7. Compute the monthly charge for space heating by multiplying the appropriate charge per KwH times the number of KwH consumed per month.
8. Example: The average monthly electric heating charge for a single family, 2,100 square foot, two story, no basement home located near Frankfort, Michigan is computed as follows:
 - a. Step 1. Select the table (Table 14a through f) that most closely describes the housing unit at issue. In this case, Table 14c (single family, two story, no basement - prototype III) should be selected.
 - b. Step 2. Determine from Table 14c the annual KwH consumption appropriate for the heating degree days (HDD) and the gross square footage of the house in this example. Use the table as follows:

- 1) Find the number of heating degree days for the established community in which the unit is located. Table 10 (which contains the HDD for established communities in the North Central survey region) shows that Frankfort, MI has 7,262 HDD. In Table 14c, the number of HDDs in Frankfort, MI (7,262) lies between the column headed 6,500 and the column headed 7,500. Round down to the 6,500 HDD column.
 - 2) In Table 14c, 2,100 square feet (the size of the house used in this example) lies between the 2,000 and 2,200 square feet rows. Round 2,100 down to the 2,000 square feet row.
 - 3) From Table 14c (2,000 square feet and 6,500 HDD) the Kwh consumption rate is 20,744 Kwh annually. This indicates the amount of electricity required to heat a 2,000 square foot home using electricity in Frankfort, MI annually.
- c. Step 3. Calculate the monthly Kwh consumption by dividing the annual Kwh by 12 (months). In this instance, the monthly consumption is 1,728.7 Kwh ($20,744 / 12 = 1,728.7$ Kwh per month).
- d. Step 4, HUD MPS Zone adjustment. The HUD MPS Zone adjustment is made as follows:
- 1) Use Table 10 to find the HUD MPS Zone for the community at issue. In this manner, Frankfort, MI is found to be in HUD MPS Zone 8.
 - 2) In Table 13, determine the adjustment factor for the appropriate dwelling type and MPS Zone. The factor for housing prototype III in HUD MPS Zone 8 is 0.94.
 - 3) Multiply the monthly electric consumption (as computed in paragraph 8c above) times the HUD MPS adjustment factor ($1,728.7 \times 0.94 = 1,625.0$ Kwh per month).
- e. Step 5, **Adjustment for heat pump.** The process described above is used for computing the electrical consumption for heating with a straight resistance heating system. However, where a dwelling is heated with an electric heat pump, the resistance heating consumption (1,625.0 Kwh in this example) should be multiplied by a factor of 0.75, which represents the greater efficiency of the heat pump. In this example, the monthly electric consumption for a heat pump as the heating source would be 1,218.8 Kwh ($1,625.0 \times 0.75 = 1,218.8$).
- f. Step 6. The final step is to compute the monthly charge for the electricity consumed. This is done by multiplying the charge per Kwh times the Kwh consumed per month. The appropriate charge per Kwh may be found in the table below.

<u>Kwh Consumed Per Month</u>	<u>North Central Region Charge per Kwh*</u>
1 – 500	\$.128
501 – 1,000	\$.120
1,001 – 1,500	\$.116
Over 1,500	\$.114

*Will be adjusted for inflation annually

In this example, the average monthly consumption for electric resistance heat (1,625.0 Kwh) falls in the “Over 1,500” Kwh per month consumption category; the appropriate charge is \$0.114 per Kwh. The average monthly consumption for a heat pump (1,218.8 Kwh) also falls in the “1,001 – 1,500” Kwh per month consumption category; and the appropriate unit charge is \$0.116 per Kwh.

Therefore, the monthly electric heating charge for the 2,100 square foot Frankfort, MI house used in this example is computed as follows:

Resistance heat: 1,625.0 Kwh x \$.114 = \$185.25 monthly

Heat pump: 1,218.8 Kwh x \$.116 = \$141.38 monthly

E. SPACE COOLING CONSUMPTION/COST CALCULATIONS

Space cooling costs are calculated in the same manner as for electric space heating, except that Cooling Degree Days (CDD) are used in lieu of HDD values. CDD values for the Nearest Established Communities are found in Table 10. Additionally, only Tables 14a through 14f are used in calculating cooling energy consumption. Briefly, the steps are as follows.

1. Select from Tables 14a through 14f the table that most closely describes the housing unit at issue.
2. Based on the size of the dwelling (square feet) and the number of CDD (from Table 10), use the appropriate Table (14a-f) to determine the annual Kwh consumption.
3. Divide the annual Kwh consumption by 12 (months) to determine the average number of Kwh consumed per month.
4. Apply the HUD MPS Zone adjustment factor.
5. Apply the Coefficient of Performance (CoP) adjustment.
6. Determine the appropriate charge per Kwh from the table below.

<u>Kwh Consumed Per Month</u>	<u>North Central Region Charge per Kwh*</u>
1 – 500	\$.128
501 – 1,000	\$.120
1,001 – 1,500	\$.116
Over 1,500	\$.114

*Will be adjusted for inflation annually

7. Compute the monthly charge for space cooling by multiplying the appropriate charge per Kwh times the number of Kwh consumed per month.

8. Example: Compute the average monthly electric cooling charge for a 1,275 square foot mobile home near Harrisburg, Illinois.
- a. Step 1: Table Selection. Select the table (Table 14a through 14f), which most closely describes the housing unit at issue. Table 14f (Mobile Homes - Prototype VI) should be selected.
 - b. Step 2: Annual Kwh Consumption. Determine from Table 14f the annual Kwh consumption appropriate for the cooling degree days (CDD) and the gross square footage of the mobile home in this example. Use the table as follows:
 - 1) Find the number of cooling degree days for the established community closest to the housing. Table 10 (which contains the CDD for established communities in the North Central survey region) shows that Harrisburg, IL has 1,379 CDD. In Table 14f, 1,379 CDD lies between the columns headed 1,350 and 1,600. Round down to the 1,350 CDD column.
 - 2) In Table 14f, 1,275 square feet (the size of the mobile home used in this example) lies between the 1,200 and 1,400 square feet rows. Round down to the 1,200 square feet row.
 - 3) From Table 14f (1,200 square feet and 1,350 CDD) the annual Kwh consumption rate is 4,841 Kwh. This indicates the amount of electricity required to cool a 1,200 square foot mobile home in Harrisburg, IL annually.
 - c. Step 3: Monthly Consumption. Calculate the monthly Kwh consumption by dividing the annual Kwh consumption by 12 (months). In this instance, the monthly consumption is 403.4 Kwh ($4,841 / 12 = 403.4$).
 - d. Step 4: HUD MPS Zone Adjustment. The HUD MPS Zone adjustment is made as follows:
 - 1) Use Table 10 to find the HUD MPS Zone for the community at issue. In this manner, Harrisburg, IL is found to be in HUD MPS Zone 4.
 - 2) In Table 15, determine the adjustment factor for the appropriate dwelling unit type and MPS Zone. The factor for housing prototype VI in HUD MPS Zone 4 is 2.15.
 - 3) Multiply the monthly electric consumption (as computed in paragraph 8c, above) times the HUD MPS Zone adjustment factor: $403.4 \text{ Kwh} \times 2.15 = 867.3 \text{ Kwh per month}$.
 - e. Step 5: Adjustment for Coefficient of Performance (CoP). This adjustment accounts for the differences in the efficiencies of evaporative (swamp) and refrigerated air central cooling systems.
 - 1) Evaporative (swamp) cooling. For a central evaporative cooling system, the adjusted Kwh (computed in Step 4, above) is divided by a factor of 6.66. In this example, the monthly Kwh requirement for central evaporative cooling is computed as $867.3 \text{ Kwh} / 6.66 \text{ CoP} = 130.2 \text{ Kwh per month}$.

- 2) Refrigerated air cooling. For a central refrigerated air cooling system, the adjusted Kwh (computed in step 4, above) is divided by a factor of 2. In this example, the monthly Kwh requirement for central refrigerated air cooling is computed as $867.3 \text{ Kwh} / 2 \text{ CoP} = 433.6 \text{ Kwh}$ per month.
- f. Step 6: Monthly Charge. The final step is to compute the monthly charge for the electricity consumed. This is done by multiplying the electricity rate times the Kwh consumed per month. The appropriate charge per Kwh may be found in the table below.

<u>Kwh Consumed Per Month</u>	<u>North Central Region Charge per Kwh*</u>
1 – 500	\$.128
501 – 1,000	\$.120
1,001 – 1,500	\$.116
Over 1,500	\$.114

*Will be adjusted for inflation annually

In this example, the average monthly consumption for evaporative cooling (130.2 Kwh) falls in the “1 – 500” Kwh consumption range. The average monthly consumption for refrigerated cooling (433.6 Kwh) also falls in the “1 – 500” Kwh consumption range. The appropriate charge will be \$.128 per Kwh for evaporative cooling, and \$.128 for refrigerated cooling.

Therefore, the monthly charges for cooling the 1,275 square foot mobile home in Harrisburg, IL would be computed as follows.

Evaporative cooling: $130.2 \text{ Kwh} \times \$0.128 = \$16.67$ monthly

Refrigerated cooling: $433.6 \text{ Kwh} \times \$0.128 = \$55.50$ monthly

Clearly, evaporative cooling uses less Kwh and is therefore more energy efficient and cost effective than refrigerated cooling.

9. Gas-powered Central Air Conditioning Units. If the central air conditioning unit is gas-operated (natural gas or propane), the charge is computed as follows:
- Compute the Kwh consumption in same manner as shown in steps 1 through 4 above (Note: the calculations through step 4 produced 867.3 Kwh per month).
 - Calculate the Coefficient of Performance (CoP) adjustment in step 5 above for refrigerated air conditioning; that is, divide the number of Kwh in paragraph 9a, above (867.3 Kwh) by the CoP (2); for example $867.3 / 2 = 433.6 \text{ Kwh}$.
 - Convert the monthly Kwh to MBTUs by dividing the Kwh calculated in paragraph 9b above by 234.4 Kwh (It takes 234.4 Kwh to generate 1 MBTU.) Thus, $433.6 \text{ Kwh} / 234.4 \text{ (Kwh per MBTU)} = 1.85 \text{ MBTUs}$ per month.

- d. Calculate the volumes of natural gas and propane needed to produce 1.85 MBTUs. This is done as follows.
- 1) Natural Gas. For central air conditioning units that operate on natural gas, multiply the MBTUs calculated in paragraph 9c above by 1 MCF (It takes 1 MCF of natural gas to generate 1 MBTU, therefore $1.85 \text{ MBTUs} \times 1 \text{ MCF} = 1.85 \text{ MCF}$.) Thus, 1.85 MCF of natural gas would be required per month (annual average) to cool the unit in this example.
 - 2) Propane. For central air conditioning units that operate on propane gas, multiply the MBTUs calculated in paragraph 9c above by 10.2 gallons (It takes 10.2 gallons of propane to generate 1 MBTU; therefore $1.85 \text{ MBTUs} \times 10.2 \text{ gallons} = 18.9 \text{ gallons per month}$.) Thus, 18.9 gallons of propane would be required per month (annual average) to cool the unit in this example.
- e. Calculate the monthly charge for natural gas or propane cooling. This is done by multiplying the volume of fuel consumed by the unit cost of the fuel. These calculations are shown below.

Natural gas: $1.85 \text{ MCF} \times \$10.10 \text{ per MCF} = \18.68 per month

Propane gas: $18.9 \text{ gallons} \times \$2.35 \text{ per gallon} = \44.41 per month

TABLE 14A ANNUAL KWH USAGE (ELECTRIC HEATING/COOLING) - PROTOTYPE I
Single Family, One Story, Partial (Less Than 50%) or No Basement
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating or Cooling Degree Days																
Gross Sq Ft	100	350	600	850	1,100	1,350	1,600	1,850	3,500	4,500	5,500	6,500	7,500	8,500	9,500	10,500
100	18	64	110	156	202	248	294	340	642	826	1,010	1,193	1,377	1,560	1,744	1,927
200	37	128	220	312	404	496	587	679	1,285	1,652	2,019	2,386	2,753	3,121	3,488	3,855
400	73	257	441	624	808	991	1,175	1,358	2,570	3,304	4,038	4,773	5,507	6,241	6,975	7,710
600	110	385	661	936	1,212	1,487	1,762	2,038	3,855	4,956	6,058	7,159	8,260	9,362	10,463	11,564
800	147	514	881	1,248	1,615	1,982	2,350	2,717	5,140	6,608	8,077	9,545	11,014	12,482	13,951	15,419
1,000	184	642	1,101	1,560	2,019	2,478	2,937	3,396	6,425	8,260	10,096	11,932	13,767	15,603	17,438	19,274
1,200	220	771	1,322	1,872	2,423	2,974	3,524	4,075	7,710	9,912	12,115	14,318	16,521	18,723	20,926	23,129
1,400	257	899	1,542	2,184	2,827	3,469	4,112	4,754	8,995	11,564	14,134	16,704	19,274	21,844	24,414	26,984
1,600	294	1,028	1,762	2,496	3,231	3,965	4,699	5,433	10,280	13,217	16,154	19,091	22,028	24,965	27,902	30,839
1,800	330	1,156	1,982	2,809	3,635	4,461	5,287	6,113	11,564	14,869	18,173	21,477	24,781	28,085	31,389	34,693
2,000	367	1,285	2,203	3,121	4,038	4,956	5,874	6,792	12,849	16,521	20,192	23,863	27,534	31,206	34,877	38,548
2,200	404	1,413	2,423	3,433	4,442	5,452	6,461	7,471	14,134	18,173	22,211	26,249	30,288	34,326	38,365	42,403
2,400	441	1,542	2,643	3,745	4,846	5,947	7,049	8,150	15,419	19,825	24,230	28,636	33,041	37,447	41,852	46,258
2,600	477	1,670	2,864	4,057	5,250	6,443	7,636	8,829	16,704	21,477	26,249	31,022	35,795	40,567	45,340	50,113
2,800	514	1,799	3,084	4,369	5,654	6,939	8,224	9,509	17,989	23,129	28,269	33,408	38,548	43,688	48,828	53,967
3,000	551	1,927	3,304	4,681	6,058	7,434	8,811	10,188	19,274	24,781	30,288	35,795	41,302	46,809	52,315	57,822

TABLE 14B ANNUAL KWH USAGE (ELECTRIC HEATING/COOLING) - PROTOTYPE II
Single Family, Single Story, Full Basement
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating or Cooling Degree Days																
Gross Sq Ft	100	350	600	850	1,100	1,350	1,600	1,850	3,500	4,500	5,500	6,500	7,500	8,500	9,500	10,500
100	14	49	85	120	155	191	226	261	495	636	777	919	1,060	1,201	1,342	1,484
200	28	99	170	240	311	382	452	523	989	1,272	1,554	1,837	2,120	2,402	2,685	2,968
400	57	198	339	480	622	763	904	1,046	1,978	2,544	3,109	3,674	4,239	4,805	5,370	5,935
600	85	297	509	721	933	1,145	1,357	1,569	2,968	3,815	4,663	5,511	6,359	7,207	8,055	8,903
800	113	396	678	961	1,244	1,526	1,809	2,091	3,957	5,087	6,218	7,348	8,479	9,609	10,740	11,870
1,000	141	495	848	1,201	1,554	1,908	2,261	2,614	4,946	6,359	7,772	9,185	10,598	12,012	13,425	14,838
1,200	170	594	1,017	1,441	1,865	2,289	2,713	3,137	5,935	7,631	9,327	11,022	12,718	14,414	16,110	17,805
1,400	198	692	1,187	1,682	2,176	2,671	3,165	3,660	6,924	8,903	10,881	12,859	14,838	16,816	18,795	20,773
1,600	226	791	1,357	1,922	2,487	3,052	3,618	4,183	7,914	10,175	12,436	14,697	16,958	19,219	21,480	23,741
1,800	254	890	1,526	2,162	2,798	3,434	4,070	4,706	8,903	11,446	13,990	16,534	19,077	21,621	24,164	26,708
2,000	283	989	1,696	2,402	3,109	3,815	4,522	5,229	9,892	12,718	15,544	18,371	21,197	24,023	26,849	29,676
2,200	311	1,088	1,865	2,643	3,420	4,197	4,974	5,751	10,881	13,990	17,099	20,208	23,317	26,425	29,534	32,643
2,400	339	1,187	2,035	2,883	3,731	4,579	5,426	6,274	11,870	15,262	18,653	22,045	25,436	28,828	32,219	35,611
2,600	367	1,286	2,204	3,123	4,042	4,960	5,879	6,797	12,859	16,534	20,208	23,882	27,556	31,230	34,904	38,578
2,800	396	1,385	2,374	3,363	4,352	5,342	6,331	7,320	13,849	17,805	21,762	25,719	29,676	33,632	37,589	41,546
3,000	424	1,484	2,544	3,603	4,663	5,723	6,783	7,843	14,838	19,077	23,317	27,556	31,795	36,035	40,274	44,513

TABLE 14C ANNUAL KWH USAGE (ELECTRIC HEATING/COOLING) - PROTOTYPE III
Single Family, Two Story, Partial (Less Than 50%) or No Basement
NORTH CENTRAL REGION

Gross Sq Ft	Baseline City: Springfield, Illinois															
	Heating or Cooling Degree Days															
	100	350	600	850	1,100	1,350	1,600	1,850	3,500	4,500	5,500	6,500	7,500	8,500	9,500	10,500
100	16	56	96	136	176	215	255	295	558	718	878	1,037	1,197	1,356	1,516	1,675
200	32	112	191	271	351	431	511	590	1,117	1,436	1,755	2,074	2,393	2,713	3,032	3,351
400	64	223	383	543	702	862	1,021	1,181	2,234	2,872	3,510	4,149	4,787	5,425	6,064	6,702
600	96	335	574	814	1,053	1,292	1,532	1,771	3,351	4,308	5,266	6,223	7,180	8,138	9,095	10,053
800	128	447	766	1,085	1,404	1,723	2,042	2,362	4,468	5,744	7,021	8,297	9,574	10,851	12,127	13,404
1,000	160	558	957	1,356	1,755	2,154	2,553	2,952	5,585	7,180	8,776	10,372	11,967	13,563	15,159	16,754
1,200	191	670	1,149	1,628	2,106	2,585	3,064	3,542	6,702	8,617	10,531	12,446	14,361	16,276	18,191	20,105
1,400	223	782	1,340	1,899	2,457	3,016	3,574	4,133	7,819	10,053	12,287	14,521	16,754	18,988	21,222	23,456
1,600	255	894	1,532	2,170	2,808	3,447	4,085	4,723	8,936	11,489	14,042	16,595	19,148	21,701	24,254	26,807
1,800	287	1,005	1,723	2,441	3,159	3,877	4,596	5,314	10,053	12,925	15,797	18,669	21,541	24,414	27,286	30,158
2,000	319	1,117	1,915	2,713	3,510	4,308	5,106	5,904	11,170	14,361	17,552	20,744	23,935	27,126	30,318	33,509
2,200	351	1,229	2,106	2,984	3,862	4,739	5,617	6,494	12,287	15,797	19,308	22,818	26,328	29,839	33,349	36,860
2,400	383	1,340	2,298	3,255	4,213	5,170	6,127	7,085	13,404	17,233	21,063	24,892	28,722	32,552	36,381	40,211
2,600	415	1,452	2,489	3,526	4,564	5,601	6,638	7,675	14,521	18,669	22,818	26,967	31,115	35,264	39,413	43,562
2,800	447	1,564	2,681	3,798	4,915	6,032	7,149	8,266	15,638	20,105	24,573	29,041	33,509	37,977	42,445	46,913
3,000	479	1,675	2,872	4,069	5,266	6,462	7,659	8,856	16,754	21,541	26,328	31,115	35,902	40,689	45,476	50,263

TABLE 14D ANNUAL KWH USAGE (ELECTRIC HEATING/COOLING) - PROTOTYPE IV
Single Family, Two Story, Full Basement
NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating or Cooling Degree Days																
Gross Sq Ft	100	350	600	850	1,100	1,350	1,600	1,850	3,500	4,500	5,500	6,500	7,500	8,500	9,500	10,500
100	18	61	105	149	193	237	281	325	614	790	966	1,141	1,317	1,492	1,668	1,843
200	35	123	211	298	386	474	562	650	1,229	1,580	1,931	2,282	2,633	2,985	3,336	3,687
400	70	246	421	597	772	948	1,124	1,299	2,458	3,160	3,862	4,565	5,267	5,969	6,671	7,374
600	105	369	632	895	1,159	1,422	1,685	1,949	3,687	4,740	5,794	6,847	7,900	8,954	10,007	11,061
800	140	492	843	1,194	1,545	1,896	2,247	2,598	4,916	6,320	7,725	9,129	10,534	11,938	13,343	14,747
1,000	176	614	1,053	1,492	1,931	2,370	2,809	3,248	6,145	7,900	9,656	11,412	13,167	14,923	16,679	18,434
1,200	211	737	1,264	1,791	2,317	2,844	3,371	3,898	7,374	9,480	11,587	13,694	15,801	17,908	20,014	22,121
1,400	246	860	1,475	2,089	2,704	3,318	3,933	4,547	8,603	11,061	13,518	15,976	18,434	20,892	23,350	25,808
1,600	281	983	1,685	2,388	3,090	3,792	4,494	5,197	9,832	12,641	15,450	18,259	21,068	23,877	26,686	29,495
1,800	316	1,106	1,896	2,686	3,476	4,266	5,056	5,846	11,061	14,221	17,381	20,541	23,701	26,861	30,021	33,182
2,000	351	1,229	2,107	2,985	3,862	4,740	5,618	6,496	12,289	15,801	19,312	22,823	26,335	29,846	33,357	36,868
2,200	386	1,352	2,317	3,283	4,249	5,214	6,180	7,145	13,518	17,381	21,243	25,106	28,968	32,830	36,693	40,555
2,400	421	1,475	2,528	3,582	4,635	5,688	6,742	7,795	14,747	18,961	23,174	27,388	31,602	35,815	40,029	44,242
2,600	456	1,598	2,739	3,880	5,021	6,162	7,303	8,445	15,976	20,541	25,106	29,670	34,235	38,800	43,364	47,929
2,800	492	1,721	2,949	4,178	5,407	6,636	7,865	9,094	17,205	22,121	27,037	31,953	36,868	41,784	46,700	51,616
3,000	527	1,843	3,160	4,477	5,794	7,110	8,427	9,744	18,434	23,701	28,968	34,235	39,502	44,769	50,036	55,303

TABLE 14E ANNUAL KWH USAGE (ELECTRIC HEATING/COOLING) - PROTOTYPE V
 Apartments
 NORTH CENTRAL REGION

Baseline City: Springfield, Illinois																
Heating or Cooling Degree Days																
Feet	100	350	600	850	1,100	1,350	1,600	1,850	3,500	4,500	5,500	6,500	7,500	8,500	9,500	10,500
100	11	40	69	98	126	155	184	212	402	517	632	747	861	976	1,091	1,206
200	23	80	138	195	253	310	368	425	804	1,034	1,263	1,493	1,723	1,953	2,182	2,412
400	46	161	276	391	505	620	735	850	1,608	2,067	2,527	2,986	3,446	3,905	4,364	4,824
600	69	241	413	586	758	930	1,103	1,275	2,412	3,101	3,790	4,479	5,168	5,858	6,547	7,236
800	92	322	551	781	1,011	1,240	1,470	1,700	3,216	4,135	5,054	5,972	6,891	7,810	8,729	9,648
1,000	115	402	689	976	1,263	1,551	1,838	2,125	4,020	5,168	6,317	7,466	8,614	9,763	10,911	12,060
1,200	138	482	827	1,172	1,516	1,861	2,205	2,550	4,824	6,202	7,580	8,959	10,337	11,715	13,093	14,472
1,400	161	563	965	1,367	1,769	2,171	2,573	2,975	5,628	7,236	8,844	10,452	12,060	13,668	15,276	16,884
1,600	184	643	1,103	1,562	2,021	2,481	2,940	3,400	6,432	8,270	10,107	11,945	13,783	15,620	17,458	19,296
1,800	207	724	1,240	1,757	2,274	2,791	3,308	3,825	7,236	9,303	11,371	13,438	15,505	17,573	19,640	21,708
2,000	230	804	1,378	1,953	2,527	3,101	3,675	4,250	8,040	10,337	12,634	14,931	17,228	19,525	21,822	24,120
2,200	253	884	1,516	2,148	2,779	3,411	4,043	4,675	8,844	11,371	13,897	16,424	18,951	21,478	24,005	26,531
2,400	276	965	1,654	2,343	3,032	3,721	4,410	5,100	9,648	12,404	15,161	17,917	20,674	23,430	26,187	28,943
2,600	299	1,045	1,792	2,538	3,285	4,031	4,778	5,525	10,452	13,438	16,424	19,410	22,397	25,383	28,369	31,355
2,800	322	1,126	1,930	2,734	3,538	4,342	5,146	5,949	11,256	14,472	17,688	20,904	24,120	27,335	30,551	33,767
3,000	345	1,206	2,067	2,929	3,790	4,652	5,513	6,374	12,060	15,505	18,951	22,397	25,842	29,288	32,734	36,179

TABLE 14F ANNUAL KWH USAGE (ELECTRIC HEATING/COOLING) - PROTOTYPE VI
Mobile Homes
NORTH CENTRAL REGION

Gross Sq Ft	Baseline City: Springfield, Illinois															
	Heating or Cooling Degree Days															
	100	350	600	850	1,100	1,350	1,600	1,850	3,500	4,500	5,500	6,500	7,500	8,500	9,500	10,500
100	30	105	179	254	329	403	478	553	1,046	1,345	1,644	1,942	2,241	2,540	2,839	3,138
200	60	209	359	508	657	807	956	1,106	2,092	2,689	3,287	3,885	4,482	5,080	5,678	6,275
400	120	418	717	1,016	1,315	1,614	1,912	2,211	4,184	5,379	6,574	7,770	8,965	10,160	11,355	12,551
600	179	628	1,076	1,524	1,972	2,421	2,869	3,317	6,275	8,068	9,861	11,654	13,447	15,240	17,033	18,826
800	239	837	1,434	2,032	2,630	3,227	3,825	4,423	8,367	10,758	13,148	15,539	17,930	20,320	22,711	25,102
1,000	299	1,046	1,793	2,540	3,287	4,034	4,781	5,528	10,459	13,447	16,436	19,424	22,412	25,400	28,389	31,377
1,200	359	1,255	2,152	3,048	3,945	4,841	5,737	6,634	12,551	16,137	19,723	23,309	26,895	30,480	34,066	37,652
1,400	418	1,464	2,510	3,556	4,602	5,648	6,694	7,740	14,643	18,826	23,010	27,193	31,377	35,561	39,744	43,928
1,600	478	1,673	2,869	4,064	5,259	6,455	7,650	8,845	16,734	21,516	26,297	31,078	35,859	40,641	45,422	50,203
1,800	538	1,883	3,227	4,572	5,917	7,262	8,606	9,951	18,826	24,205	29,584	34,963	40,342	45,721	51,100	56,478
2,000	598	2,092	3,586	5,080	6,574	8,068	9,562	11,057	20,918	26,895	32,871	38,848	44,824	50,801	56,777	62,754
2,200	657	2,301	3,945	5,588	7,232	8,875	10,519	12,162	23,010	29,584	36,158	42,732	49,307	55,881	62,455	69,029
2,400	717	2,510	4,303	6,096	7,889	9,682	11,475	13,268	25,102	32,273	39,445	46,617	53,789	60,961	68,133	75,305
2,600	777	2,719	4,662	6,604	8,546	10,489	12,431	14,374	27,193	34,963	42,732	50,502	58,271	66,041	73,811	81,580
2,800	837	2,929	5,020	7,112	9,204	11,296	13,387	15,479	29,285	37,652	46,020	54,387	62,754	71,121	79,488	87,855
3,000	896	3,138	5,379	7,620	9,861	12,103	14,344	16,585	31,377	40,342	49,307	58,271	67,236	76,201	85,166	94,131

TABLE 15 MPS COOLING ZONE CONVERSION FACTORS

NORTH CENTRAL REGION

HUD MPS Heating <u>Zone</u>	Dwelling Prototypes					
	I	II	III	IV	V	VI
	Single Story No <u>Basement</u>	Single Story Full <u>Basement</u>	Double Story No <u>Basement</u>	Double Story Full <u>Basement</u>	Apart- ments	Mobile Homes
1						
2						
3						
4	1.94	2.21	2.12	1.96	2.52	2.15
5	2.24	2.60	2.47	2.28	3.01	2.49
6	2.24	2.60	2.47	2.28	3.01	2.49
7	2.61	3.08	2.89	2.67	3.60	2.89
8	1.29	1.37	1.38	1.29	1.49	1.45

F. LIGHTING AND APPLIANCES - ELECTRICITY CONSUMPTION AND COST CALCULATIONS

The examples in the preceding sections (VI.C, VI.D and VI.E) dealt with the charges for space heating and cooling, when provided by the government and estimated by the QMIS application because a consumption meter is not available for the housing unit. However, to compute **total energy consumption** charges, the costs for energy consumed by lights, equipment, and appliances (government-furnished and tenant-owned) must be determined and added to the heating and cooling charges.

1. **Consumption.** Electricity is also used by small appliances, lights, radios, televisions, refrigerators, ranges, washers, dryers, etc. These items, and their associated consumption levels, are shown in Table 16. **It is assumed that every government housing unit uses a furnace fan, television/radio, lights, and miscellaneous small appliances,** and these items are automatically included in electricity consumption when QMIS is used to estimate electric use and electric costs. Be sure to add these items from Table 16, in addition to any other applicable items, when determining the total consumption manually.

To use Table 16, first determine the finished floor space square footage range within which a specific housing unit falls. Then, using the values in Table 16, add the KWH consumed by each appliance or equipment item which is present in the housing unit. If a housing unit has more than one (1) refrigerator, freezer, window air conditioner, or room space heater, multiply the KWH shown in the table times the number of refrigerators, freezers, window air conditioners or space heaters that are present in the housing unit to determine the total monthly KWH consumption for these appliances.

There may be instances where appliances are fueled by fossil fuels rather than by electricity, for example, a propane space heater. Table 16a provides monthly consumption (in MCF or gallons of fuel) for the most common of these.

If an appliance listed in Table 16 or Table 16a is not present in the housing unit at issue, do not include its monthly energy use when computing the total energy consumed by equipment and appliances.

2. **Cost.** The cost of electricity or fossil fuel consumed by appliances and equipment is easily computed by multiplying the total monthly consumption (as determined in the preceding paragraphs) times the appropriate charge per KWH, MCF or gallon. These unit charges are shown in Table 17.

TABLE 16 MONTHLY KWH USAGE: APPLIANCES AND EQUIPMENT
ALL REGIONS

Appliance/Equipment	<i>Gross Square Feet of Living Space</i>									
	Under 130	301 to 500	501 to 700	701 to 1,100	1,101 to 1,300	1,301 to 1,500	1,501 to 1,900	1,901 to 2,100	2,101 to 2,500	Over 2,500
Hot water heater	130	130	245	245	370	370	480	480	600	705
Stove / Microwave	45	45	50	50	55	55	60	60	65	70
Refrigerator 1/	45	50	50	50	85	85	85	85	85	85
Clothes washer	20	35	35	35	45	45	45	55	55	65
Clothes dryer	15	15	25	25	35	35	35	35	40	50
Dishwasher	35	35	45	45	60	60	70	70	80	95
Freezer 1/	70	70	70	70	70	70	70	70	70	70
Furnace fan	15	15	20	20	20	25	25	30	30	35
Room air conditioner	65	65	65	65	65	65	65	65	65	65
Television / radio	5	5	10	10	20	20	20	20	25	25
Lights	50	55	75	80	90	90	95	100	120	120
Space heater (portable) 1/	130	130	130	130	130	130	130	130	130	130
Misc. small appliances	30	30	45	45	65	65	75	80	95	105
Engine Heaters	195	195	195	195	195	195	195	195	195	195
Hot Tub	360	360	360	360	360	360	360	360	360	360

1/ If more than one of these appliances are present in a housing unit, multiply the Kwh consumption times the number of appliances to determine the total Kwh consumed for each appliance category.

NOTE: FOR APPLIANCES OPERATED BY FOSSIL FUELS, SEE TABLE 16A.

TABLE 16A MONTHLY FOSSIL FUEL CONSUMPTION: APPLIANCES AND EQUIPMENT
ALL REGIONS

Appliance/Equipment	<i>Gross Square Feet of Living Space</i>									
	Under 130	301 to 500	501 to 700	701 to 1,100	1,101 to 1,300	1,301 to 1,500	1,501 to 1,900	1,901 to 2,100	2,101 to 2,500	Over 2,500
Hot water heater										
Natural Gas MCF	0.55	0.55	1.05	1.05	1.58	1.58	2.05	2.05	2.56	3.01
Propane Gallons	5.61	5.61	10.71	10.71	16.12	16.12	20.91	20.91	26.11	30.7
Fuel Oil Gallons	3.87	3.87	7.39	7.39	11.12	11.12	14.43	14.43	18.02	21.19
Kitchen Range										
Natural Gas MCF	0.19	0.21	0.21	0.21	0.36	36	0.36	0.36	0.36	0.36
Propane Gallons	1.94	1.94	2.14	2.14	2.35	2.35	2.65	2.65	2.86	3.06
Fuel Oil Gallons	1.34	1.34	1.48	1.49	1.62	1.62	1.83	1.83	1.97	2.11
Refrigerator 1/										
Natural Gas MCF	0.19	0.21	0.21	0.21	0.36	0.36	0.36	0.36	0.36	0.36
Propane Gallons	1.94	2.14	2.14	2.14	3.67	3.67	3.67	3.67	3.67	3.67
Clothes dryer										
Natural Gas MCF	0.06	0.06	0.11	0.11	0.15	0.15	0.15	0.15	0.17	0.21
Propane Gallons	0.61	0.61	1.12	1.12	1.53	1.53	1.53	1.53	1.73	2.14
Freezer 1/										
Natural Gas MCF	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Propane Gallons	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06	3.06
Space heater (portable) 1/										
Natural Gas MCF	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
Propane Gallons	5.61	5.61	5.61	5.61	5.61	5.61	5.61	5.61	5.61	5.61
Fuel oil Gallons	3.87	3.87	3.87	3.87	3.87	3.87	3.87	3.87	3.87	3.87

1/ If more than one of these appliances are present in a housing unit, multiply the consumption times the number of appliances to determine the total consumed for each appliance category.

NOTE: To compute the cost per month for an appliance that is fueled by a fossil fuel, multiply the consumption listed by the unit cost found in Table 17 of this report.

G. WATER AND SEWER CONSUMPTION/COST CALCULATIONS

In accordance with OMB Circular A-45 and Departmental policies and guidelines, when utilities are furnished by the government, charges shall be based upon regional average residential rates and consumption levels applicable to private rental housing in the survey region.

Where regional survey procedures are used to establish base rental rates, the charges for government-furnished water and sewer services must be based upon *regional average* water and sewer rates, and not the rates prevailing in the nearest established community. In determining the regional average rates, the water and sewer rates for each survey community were obtained and averaged.

Thus, where the water service is unmetered, and where the government furnishes water and sewer services, including well water and septic waste disposal systems, the regional average flat rate charges, shown below, shall be used. These charges are based upon (1) the average of the monthly service costs (including taxes, service charges, etc.) in all surveyed communities; and (2) consumption levels, **based on the number of bedrooms**, contained in planning guides published by the Department of Housing and Urban Development (HUD).

**Flat Rate Water and Sewer Charges,
Including Government-Furnished Well and Septic
NORTH CENTRAL REGION
(CHARGES TO BE ADJUSTED FOR INFLATION)**

<u>Number of Bedrooms</u>	<u>Monthly Charges</u>	<u>Total</u>
1 (or less)	\$19.80 water + \$23.10 sewer	= \$42.90
2	\$26.50 water + \$32.50 sewer	= \$59.00
3	\$35.25 water + \$44.25 sewer	= \$79.50
4	\$44.00 water + \$56.00 sewer	= \$100.00

H. GOVERNMENT PROVIDED METERED UTILITIES

Where the government provides the utilities and **consumption of the utility is metered** for the housing unit, the following charges will be used in the rent computation. Consumption should be based on the **average monthly usage** in that housing unit, from annual records or meter readings (divided by 12 months.)

TABLE 17 UTILITY CHARGES (PER METERED UNIT)

NORTH CENTRAL REGION
(SURVEY-BASED CHARGES, TO BE ADJUSTED FOR INFLATION ANNUALLY)

Do not calculate the total cost of each utility in steps, such as the first 500 Kwh costs so much, then the second 500 Kwh costs so much, etc. Use the price category that applies to the total units consumed. For example, 800 Kwh per month would use the “501 – 1,000” charge for all 800 Kwh.

<u>Electricity</u>	<u>Electricity Consumed Per Month</u>	<u>Per Kwh</u>
	0 – 500	\$.128
	501 – 1,000	\$.120
	1,001 – 1,500	\$.116
	Over 1,500	\$.114
<u>Fuel Oil #2</u>		\$3.56 <u>Per Gallon</u>
<u>Propane</u>		\$2.35 <u>Per Gallon</u>
<u>Natural Gas</u>		\$10.10 <u>Per MCF</u>
<u>Water</u>	<u>Water Consumed Per Month</u>	<u>Per Gallon</u>
	1 – 3,000 Gallons	\$0.0066
	3,001 – 5,000 Gallons	\$0.0053
	5,001 – 7,500 Gallons	\$0.0047
	Over 7,500 Gallons	\$0.0044
<u>Sewer</u>	<u>Sewer Consumed Per Month</u>	<u>Per Gallon</u>
	1 – 3,000 Gallons	\$0.0077
	3,001 – 5,000 Gallons	\$0.0065
	5,001 – 7,500 Gallons	\$0.0059
	Over 7,500 Gallons	\$0.0056

I. GARBAGE/TRASH REMOVAL SERVICE RATES

In the case of garbage and trash hauling, as with other government-provided services, OMB Circular A-45 requires the charges to be based upon the domestic rates for comparable services provided to occupants of private rental units in the survey area (region).

The garbage and trash services provided to housing occupants vary from weekly to daily service. Establishment of a service charge based upon the service in the nearest established community may or may not reflect a similar level of service. Therefore, the charge for garbage and trash collection, when conducted by the government, and regardless of housing type, will be **\$15.05 per unit per month** in the North Central Region. This charge will be adjusted annually for inflation.

J. CHARGES FOR APPLIANCES AND RELATED SERVICES

OMB Circular A-45 requires agencies to charge occupants of government housing for appliances, furnishings and services that the government provides with the unit. The charges for appliances, furnishings and services most typically provided by federal agencies are found in Table 18. Charges for appliances and services are updated annually for inflation, and published in the Consumer Price Index (CPI) Memo each November (see <http://www.nbc.gov/supportservices/cpi.html>.)

The monthly recapture cost of the items in Table 18 were determined from information gathered by contractors in the survey communities of all QMIS regions, and from special studies conducted by the QMIS Office.

Agencies providing appliances, furnishings or services that are not included in Table 18 are responsible for establishing an appropriate monthly charge that reflects the private market value of the item(s) provided. In such cases, the agency or bureau should advise the QMIS Office to ensure that subsequent regional survey reports include charges for all government-provided appliances, furnishings and services.

TABLE 18 MONTHLY CHARGES FOR APPLIANCES & RELATED SERVICES - ALL REGIONS
EFFECTIVE MARCH 13, 2011
(CHARGES TO BE ADJUSTED FOR INFLATION)

APPLIANCES		SERVICES AND FURNISHINGS	
Range (Gas / Electric) *	(+/-) \$3.70	Storage Shed (Per Unit)	\$2.45
Refrigerator *	(+/-) 3.25	Furniture (Per Room)	10.30
Clothes Washer	3.90	Swimming Pool	
Clothes Dryer	3.20	Private Pool	60.00
Dishwasher	3.15	Community Pool	20.00
Microwave Oven	1.20	Satellite Dish	23.50
Trash Compactor	3.70	Cable Television	30.50
Freezer	1.90	Premium Channel (Each)	20.45
Freezer (Community)	1.00	Maid Service	84.75
Window Air Conditioner		Lawn Care (Per Mowing)	
Refrigerated Unit	4.10	Houses (Excluding Plexes)	27.40
Evaporative (Swamp) Unit	3.05	All Other Classes	13.80
Free Standing Stove	3.75	Snow Removal (Per Removal)	15.40
Fireplace Insert	4.45	Firewood (Per Cord)	158.55
Lawn Mower	3.60		
Hot Tub	33.65	<u>ELECTRIC CREDITS</u>	
		Well pump (0-1 Bedroom)	-1.50
Community Laundry		Well pump (2 Bedrooms)	-2.45
(Non-Coin Operated)		Well pump (3 Bedrooms)	-3.50
Washer Only	1.90	Well pump (4+ Bedrooms)	-4.80
Dryer Only	1.60		
Washer and Dryer	3.50	Sewer Lift Pump (0-1 Bedroom)	-1.50
		Sewer Lift Pump (2 Bedrooms)	-1.50
		Sewer Lift Pump (3 Bedrooms)	-1.80
		Sewer Lift Pump (4+ Bedrooms)	-2.45
ISOLATION ADJUSTMENT FACTOR	4.00	Base Radio	-1.50
	(per point)	Remote Control Relay	-1.50
		Sump Pump	-1.50
		Radon Mitigation Fan	-14.15

* If the Government provides one range and refrigerator, no additions or deductions are made.

If the Government does not provide a range or a refrigerator, deduct the amount shown above.

If the Government provides 2 or more ranges or refrigerators, add the amounts shown above for each appliance furnished in excess of one range and one refrigerator.

VII. ADMINISTRATIVE ADJUSTMENTS

Once the MBRR is established, certain adjustments (e.g. for isolation and amenity deficiencies) are authorized by OMB Circular A-45. These administrative adjustments are established by OMB and are not derived from regional surveys conducted by the QMIS Office.

The administrative adjustments contained in OMB Circular A-45, and described below, are not authorized for dormitories/bunkhouses or transient units. This is because the rental rates for those housing classes are administratively established, through extensions of the principle of comparability, and are not based directly upon market comparability.

A. SITE AMENITY ADJUSTMENTS

Living conditions at some government housing sites are not always the same as those found in the survey communities. In the communities surveyed, the amenities discussed below (and in OMB Circular A-45) are generally present and therefore their contributory value is included in the MBRRs and the applicable “negative community adjustments” listed in tables 3, 4 and 5 in this report. Thus, **if any amenity listed below is present at the nearest established community and the government housing site, no adjustment is made for that amenity** because its presence has already accounted for in the MBRR.

The lack of an amenity at the government housing site, as discussed below, represents a difference from the conditions in the private rental market in the nearest established community. A significantly less desirable condition of the government housing should be compensated via a **negative** percentage adjustment to the CPI-adjusted MBRR (CPI-MBRR).

1. **Reliability and adequacy of water supply.** The water delivery system at the housing site should provide potable water (free of significant discoloration or odor) and adequate pressure at usual outlets. If the water delivery system at the housing site does not meet these conditions, 3 percent should be deducted from the CPI-MBRR.
2. **Reliability and adequacy of electric service.** Electric service at the housing site must equal or exceed a 100-ampere power system, and should provide 24-hour service under **normal** conditions. When evaluating the electric service, housing managers are reminded that OMB Circular A-45 recognizes that occasional temporary power outages are considered to be “normal” conditions. Furthermore, if an adequate back-up generator is available, then the electric service amenity will be considered to be reliable and adequate – regardless of the reliability of the primary power source. When electric service is inadequate and unreliable, 3 percent should be deducted from the CPI-MBRR.
3. **Reliability and adequacy of fuel for heating, cooling and cooking.** There should be sufficient fuel storage capacity to meet prevailing weather conditions and needs. Where electricity is used as the heating, cooling or cooking “fuel,” an adjustment can only be made when a deduction has been made for deficient electric service (see paragraph VII.A.2, above). If the fuel delivery/storage system is inadequate, 3 percent should be deducted from the CPI-MBRR.

4. **Reliability and adequacy of police protection.** Law enforcement personnel, including government employees with law enforcement authority, should be available on a 24-hour basis. OMB Circular A-45 defines “availability” as the ability of law enforcement officers to respond to emergencies at the housing site as quickly as a law enforcement officer in the nearest established community could respond to an emergency in the nearest established community.

OMB Circular A-45 further provides that where part-time officers serve the housing site, the fact that the officers are part-time does not necessarily mean that they are less available than officers in the nearest established community. The important point is that the availability determination must be based on comparative response times (housing site vs. the nearest established community) – not the employment conditions of the officers serving the housing site.

Finally, OMB Circular A-45 provides that gaps in availability due to temporary illness or injury, use of annual leave, temporary duties, training, or other short absences, do not render law enforcement personnel “unavailable” at the housing site.

If, after applying these guidelines, it is determined that the law enforcement protection at the housing site is unreliable and inadequate in comparison to the reliability and adequacy of law enforcement protection in the nearest established community, 3 percent should be deducted from the CPI-MBRR.

5. **Fire insurance availability or reliability and adequacy of fire protection.** Fire insurance should be available (for the housing) with the premium charge based upon a rating equal to the rating available to comparable housing located in the nearest established community. Alternatively, adequate trained personnel, equipment, an adequate supply of water (or fire retardant chemical) should be available on a 24-hour basis to meet foreseeable emergencies. OMB Circular A-45 provides that **if** either element is present (adequate insurance or an adequate fire fighting capability), no adjustment is authorized. If both elements are missing, 3 percent should be deducted from the CPI-MBRR.
6. **Reliability and adequacy of sanitation service.** An adequately functioning sewage disposal system and a solid waste/refuse disposal system should be available. OMB Circular A-45 considers septic, cesspool or other systems adequate, even though they may require periodic maintenance, as long as they are usable during periods of occupancy. If the sanitation service at the housing site is unreliable or inadequate, 3 percent should be deducted from the CPI-MBRR.
7. **Reliability and adequacy of telephone service.** Access to commercial telephone facilities should be available on a 24-hour basis. Deductions (except as provided below) are not allowed for occasional temporary interruptions of telephone service. OMB Circular A-45 allows specific deductions for various levels of service and privacy. These are explained below.
 - a. The CPI-MBRR should be reduced by 3 percent if telephone service is not available within the unit or within 100 yards of the unit. More specifically, a telephone line is not installed at the unit.
 - b. The CPI-MBRR should be reduced by 2 percent if there is no telephone service available within the unit, but telephone service (either private or party line) is available within 100 yards of the unit.

- c. The CPI-MBRR should be reduced by 1 percent if telephone service is available in the employee's unit, but the service is not a private line and/or the service is not accessible on a 24-hour per day basis.
- 8. **Noise and odors.** If there are frequent disturbing or offensive noises and/or odors at the housing site, 3 percent should be deducted from the CPI-MBRR.
- 9. **Miscellaneous improvements.** One or more of the following improvements should be available at the housing site: paved roads/streets, sidewalks or street lights. If any one of these improvements is present, no deduction is authorized. If all three of these improvements are missing (i.e., there are no paved roads/streets and there are no sidewalks and there are no street lights), 1 percent should be deducted from the CPI-MBRR.

B. ISOLATION ADJUSTMENT

In some cases, government housing is located far from the nearest established community (see paragraph IX.C for the OMB's definition of "established community"). In addition, different modes of transportation (travel categories) may serve to further isolate the housing site from the nearest established community. In situations where the housing location and the travel categories meet the requirements contained in OMB Circular A-45, an isolation adjustment should be applied. To determine whether an isolation adjustment applies, and the amount of the adjustment, if applicable, you should follow the steps in the Isolation Adjustment Computation Schedule, shown on the following page. This schedule is a (modified) reproduction of the appendix to OMB Circular A-45, and is included in this report for illustrative purposes only. Therefore, you should use the form prescribed by your agency or bureau when documenting the isolation adjustment.

Isolation Adjustment Computation

- Step 1. Determine the one-way distance in miles (from the individual unit to the nearest established community) for each category of transportation listed in Figure 1. Enter mileage(s) in the appropriated block(s) under Column B.
- Step 2. Multiply mileage figures entered in Column B by point values listed in Column A for each affected category of transportation to produce one-way points for each category. Add 29 points to the category 4 subtotal and 27 points to the category 5 subtotal to reflect relative differences in cost or time by use of these modes of travel.
- Step 3. Add all categories of one-way points in Column C to produce one-way points. (If the total does not exceed 30 points, there is no adjustment for isolation.)

Figure 1

<u>Category of Travel</u>	<u>Column A</u> Point Value		<u>Column B</u> One-way Miles		<u>Column C</u> One-way Points
(1) Paved road or rail	1.0	X	_____	=	_____
(2) Unpaved but improved road	1.5	X	_____	=	_____
(3) Unimproved road	2.0	X	_____	=	_____
(4) Water, snowmobile, pack animal, foot or other special purpose conveyance	2.5	X	_____	=	_____+29
(5) Air	4.0	X	_____	=	_____+27
TOTAL ONE-WAY POINTS				=	_____

- Step 4. Calculate the Isolation Adjustment Factor (IAF) using the following OMB formula: Multiply 2 (to reflect round-trip points) by 4 (to reflect number of trips per month) and then multiply by GSA's current automobile allowance per mile as of the last day of September of each year. For example, the GSA mileage allowance, as of September 30, 2010, was \$0.50 per mile, resulting in an IAF of \$4.00 per point (effective March 13, 2011 through March 11, 2012.) This factor is adjusted annually (new IAF rate will be effective March 11, 2012); see the CPI Memorandum for the current Isolation Adjustment Factor (<http://www.nbc.gov/supportservices/cpi.html>.)

ISOLATION ADJUSTMENT FACTOR = \$4.00 per point

- Step 5. Multiply total adjusted points by the Isolation Adjustment Factor to produce the monthly adjustment for isolation (rounded to the nearest whole dollar).

MONTHLY ADJUSTMENT = _____

C. LOSS OF PRIVACY

Some occupants are subject to a loss of privacy during non-duty hours by virtue of public visits which occur several times daily. In other cases, occupants may be inhibited from enjoying the full range of activities normally associated with living in private rental housing (such as where restrictions are imposed on activities in housing at national cemeteries). In such cases, OMB Circular A-45 allows a deduction from the CPI-MBRR of up to 10 percent. OMB Circular A-45 instructs housing managers to establish proportional adjustments to reflect situations of less frequency or seriousness in their impact upon privacy or usage, or to reflect seasonal variations.

D. EXCESSIVE OR INADEQUATE SIZE

Occupants are sometimes provided dwellings that are excessively large or small for their needs. This may be because the range and variety of units available at an installation may be much less than that which is available in private rental markets. In such cases, OMB Circular A-45 allows a deduction from the CPI-MBRR of up to 10 percent. The Circular instructs that the deduction should be in direct proportion to the degree of excess or inadequacy, and that the deduction must not continue beyond one month after suitable housing is made available. Before this adjustment is applied, local housing managers should consult with managers within their agencies or bureaus to determine whether other alternatives (such as closing off rooms and other excess space) would offer a more suitable means of adjustment.

E. LIMITATIONS TO ADMINISTRATIVE ADJUSTMENTS

Administrative adjustments cannot be applied without limit. OMB Circular A-45 provides that the CPI-MBRR cannot be reduced by more than 50 percent. For units which receive an isolation adjustment, the CPI-MBRR may not be reduced by more than 60 percent. These limitations exclude excessive heating or cooling adjustments, which are described in paragraph IX.A of this report.

VIII. CONSUMER PRICE INDEX (CPI) ADJUSTMENTS

OMB Circular A-45 requires annual verification and adjustment (when necessary) of the following rental components that are presented in this report: (1) the Monthly Base Rental Rates (MBRRs); (2) the charges for related facilities (utilities, appliances, furnishings and services); and (3) the Isolation Adjustment Factor (IAF). These verifications and adjustments are to be made in each interim year between regional surveys.

Generally, OMB Circular A-45 specifies that these changes are to be based upon September index levels of specified components of the Consumer Price Index (CPI) and the GSA temporary duty mileage allowance in effect as of September 30 of each year. These changes must be implemented at the beginning of the first pay period in March of each following year.

The QMIS Office is responsible for determining the amounts of these changes, and for providing program participants with the information, the software, and the instructions needed to implement the required changes. This information is usually provided to each National Housing Officer in November of each year, and new CPI- and Regional Survey-adjusted rental formulas are distributed with the updated QMIS

software in January each year. National, regional or installation housing managers (as required by your agency or bureau) are responsible for implementing these annual rental adjustments.

IX. OTHER OMB CIRCULAR A-45 RENT CONSIDERATIONS

A. EXCESSIVE HEATING OR COOLING COSTS

OMB Circular A-45 authorizes a deduction from the Consumer Price Index-adjusted Monthly Base Rental Rate (CPI-MBRR) when housing is unusually costly to heat or cool. This adjustment is allowed only when: (1) the excessive heating or cooling costs are due to the poor design of the unit or the lack of adequate insulation/weather-proofing; and when (2) the energy/fuel used for heating and/or cooling is metered. This adjustment will vary from quarter to quarter, but is the difference between the actual heating and/or cooling costs paid by the occupant and 125 percent of the cost of heating and/or cooling a comparable (but adequately constructed and insulated) dwelling located in the same climate zone. For more information on this adjustment, you should consult your agency/bureau policies or the QMIS Office.

B. INCREMENTAL ADJUSTMENTS

New baseline regional surveys or annual CPI adjustments may occasionally increase a unit's rent by more than 25 percent or \$100 monthly. When this occurs, OMB Circular A-45 allows housing managers to impose this increase incrementally over a period of not more than one year. The Circular also requires that such increases must be applied in equal increments on at least a quarterly basis. In effect, 25 percent of the increase is implemented during the first pay period in March; 50 percent of the increase is implemented three months later; 75 percent of the increase is implemented six months later; and 100 percent of the increase is implemented nine months later. Incremental adjustments apply only to existing tenants, and do not apply to new tenants or non-federal tenants.

C. ESTABLISHED COMMUNITY

OMB Circular A-45 has established the following minimum standards for use in determining which population centers (cities, towns, etc.) may be used as "established communities" when determining rents.

1. An established community must have a population of 1,500 or more (5,000 or more in Alaska), based upon the most recently conducted decennial census. See <http://www.census.gov> for 2000 population determinations.
2. An established community must have at least one doctor and one dentist, who are available to all occupants on a non-emergency basis.
3. An established community must have a private rental market with housing available to the general public. This requirement excludes communities on military posts, Indian reservations and other government installations which may meet the other criteria contained in paragraphs IX.C.1 and C.2 above.